

| <b>SCM Fertichem Limited</b>   |    |                      |                      |
|--|----|----------------------|----------------------|
| (All Amounts in Rs in unless otherwise stated)                                 |    |                      |                      |
| <b>Balance Sheet as at 31 Mar 2023</b>   |    |                      |                      |
| <b>Particulars</b>   |    | <b>31 March 2023</b> | <b>31 March 2022</b> |
| <b>ASSETS</b>  |    |                      |                      |
| <b>Non-current assets</b>  |    |                      |                      |
| Property, plant and equipment  | 2  | -                    | -                    |
| Right of use assets  | 3  | -                    | -                    |
| Financial assets   |    |                      |                      |
| i. Other financial assets  | 6  | -                    | -                    |
| Income tax assets (net)  |    | -                    | 36,286               |
| <b>Total non-current assets</b>  |    | <b>-</b>             | <b>36,286</b>        |
| <b>Current assets</b>  |    |                      |                      |
| Financial assets   |    |                      |                      |
| i. Trade receivables   | 4  | -                    | 22,80,490            |
| ii. Cash and cash equivalents  | 5  | 8,48,379             | 38,46,241            |
| Other current assets   |    | 1,153                | -                    |
| <b>Total current assets</b>  |    | <b>8,49,532</b>      | <b>61,26,731</b>     |
| <b>Total assets</b>  |    | <b>8,49,532</b>      | <b>61,63,017</b>     |
| <b>EQUITY AND LIABILITIES</b>  |    |                      |                      |
| <b>Equity</b>  |    |                      |                      |
| Equity share capital   | 7  | 5,00,000             | 5,00,000             |
| Other equity   | 8  | (3,77,242)           | (83,52,557)          |
| <b>Total equity</b>  |    | <b>1,22,758</b>      | <b>(78,52,557)</b>   |
| <b>Liabilities</b>   |    |                      |                      |
| <b>Non-current liabilities</b>   |    |                      |                      |
| Financial Liabilities  |    |                      |                      |
| i. Lease Liabilities   |    | -                    | -                    |
| <b>Total non-current liabilities</b>   |    | <b>-</b>             | <b>-</b>             |
| <b>Current liabilities</b>   |    |                      |                      |
| Financial liabilities  |    |                      |                      |
| i. Borrowings  | 9  | -                    | 50,00,000            |
| ii. Trade payables   |    |                      |                      |
| (a) total outstanding dues of micro and small enterprises                      |    | -                    | -                    |
| (b) total outstanding dues of creditors other than micro and small enterprises | 10 | 4,12,984             | 40,54,941            |
| iii. Other financial liabilities   | 11 | -                    | 47,60,592            |
| Other current liabilities  | 12 | -                    | 2,00,041             |
| Current tax liabilities (net)  |    | 3,13,790             | -                    |
| <b>Total current liabilities</b>   |    | <b>7,26,774</b>      | <b>1,40,15,574</b>   |
| <b>Total liabilities</b>   |    | <b>7,26,774</b>      | <b>1,40,15,574</b>   |
| <b>Total equity and liabilities</b>  |    | <b>8,49,532</b>      | <b>61,63,017</b>     |

Significant accounting policies

1

The accompanying notes form an integral part of the financial statements

2 - 23

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

**Anand D Joshi**

Partner

M.No. 113805

Place: Pune

Date: 08 May 2023



*Amitabh Bhargava*

**Amitabh Bhargava**

Director

DIN: '00109596

Place: Pune

Date: 08 May 2023

*Jitender Mishra*

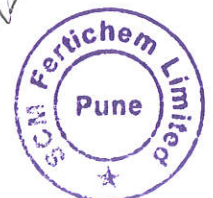
**Jitender Mishra**

Director

DIN: '09802571

Place: Pune

Date: 08 May 2023



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**SCM Fertichem Limited**

(All Amounts in Rs in unless otherwise stated)

**Statement of Profit and Loss for the year ended 31 Mar 2023**

|  |        | 31 March 2023      | 31 March 2022    |
|--|--------|--------------------|------------------|
| <b>Income</b>  |        |                    |                  |
| Revenue from operations  | 13     | -                  | -                |
| Other income   | 14     | 1,06,16,486        | 12,71,187        |
| <b>Total income</b>  |        | <b>1,06,16,486</b> | <b>12,71,187</b> |
| <b>Expenses</b>  |        |                    |                  |
| Finance costs  | 16     | 3,892              | 4,76,421         |
| Other expenses   | 18     | 23,23,489          | 48,419           |
| <b>Total expenses</b>  |        | <b>23,27,381</b>   | <b>5,24,840</b>  |
| <b>Profit before tax</b>   |        | <b>82,89,105</b>   | <b>7,46,347</b>  |
| Income tax expense   |        |                    |                  |
| - Current tax  |        | 3,13,790           | -                |
| <b>Total tax expense</b>   |        | <b>3,13,790</b>    | <b>-</b>         |
| <b>Net Profit for the period</b>   |        | <b>79,75,315</b>   | <b>7,46,347</b>  |
| <b>Total comprehensive income for the period</b>                         |        | <b>79,75,315</b>   | <b>7,46,347</b>  |
| Earnings per equity share of Rs.10 each                                  |        |                    |                  |
| i) Basic (in Rs.)  |        | 159.51             | 14.93            |
| ii) Diluted (in Rs.)   |        | 159.51             | 14.93            |
| 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 - 23 |                    |                  |

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

Date: 08 May 2023

**For and on behalf of Board of Directors****SCM Fertichem Limited****Amitabh Bhargava**

Director

DIN:'00109596

Place: Pune

Date: 08 May 2023

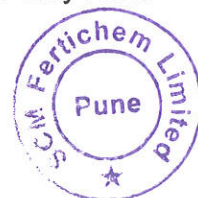
**Jitender Mishra**

Director

DIN:'09802571

Place: Pune

Date: 08 May 2023

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**SCM Fertichem Limited**

(All amounts in ₹ unless otherwise stated)

**Statement of Cash Flows for the year ended 31 March 2023**

|  | Year ended<br>31 March 2023 | Year ended<br>31 March 2022 |
|--|-----------------------------|-----------------------------|
| <b>Cash flow from operating activities</b>                           |                             |                             |
| Profit before tax as per statement of profit and loss                | 82,89,105                   | 7,46,347                    |
| Adjustments for  |                             |                             |
| Liabilities and advances written back                                | (97,60,593)                 | -                           |
| Finance costs  | 3,892                       | 4,76,421                    |
| <b>Cash generated from operations before working capital changes</b> |                             |                             |
| Decrease / (increase) in trade receivables                           | 22,80,490                   | (40,228)                    |
| Increase in trade payables   | (36,41,957)                 | 2,16,095                    |
| (Increase) / decrease in other financial assets                      | -                           | 15,00,000                   |
| (Increase) in other current assets                                   | (1,153)                     | -                           |
| Increase / (decrease) in other current liabilities                   | (2,00,041)                  | 1,04,576                    |
| <b>Cash generated from / (used in) operations</b>                    | <b>(30,30,257)</b>          | <b>30,03,211</b>            |
| Income taxes paid (net)  | 36,286                      | -                           |
| <b>Net cash generated from / (used in) operating activities</b>      | <b>(29,93,971)</b>          | <b>30,03,211</b>            |
| <b>Cash flows from investing activities</b>                          |                             |                             |
| Interest received  | -                           | -                           |
| <b>Net cash (used in) investing activities</b>                       | <b>-</b>                    | <b>-</b>                    |
| <b>Cash flows from financing activities</b>                          |                             |                             |
| Interest paid  | (3,891)                     | (49,280)                    |
| <b>Net cash (used in) / generated from financing activities</b>      | <b>(3,891)</b>              | <b>(49,280)</b>             |
| <b>Net (decrease) in cash and cash equivalents</b>                   | <b>(29,97,862)</b>          | <b>29,53,931</b>            |
| Cash and cash equivalents at the beginning of the year               | 38,46,242                   | 8,92,311                    |
| Effects of exchange rate changes on cash and cash                    |                             |                             |
| <b>Cash and cash equivalents at end of the year</b>                  | <b>8,48,379</b>             | <b>38,46,242</b>            |

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 Fertichem Limited

For HMA &amp; Associates

Chartered Accountants

Firm Registration No.: 100537W

Anand D Joshi

Partner

M.No. 113805

Place: Pune

Date: 08 May 2023



Amitabh Bhargava

Director

DIN: '00109596

Place: Pune

Date: 08 May 2023

Jitender Mishra

Director

DIN: '09802571

Place: Pune

Date: 08 May 2023



**SCM Fertichem Limited**  
**Statement of Changes in Equity for the year ended 31 March 2023**  
(All amounts in ₹ unless otherwise stated)

**A. Equity Share Capital**

| Current Reporting Period Mar'23                     | Balance at Beginning of the Year | Changes in Equity Due to Prior Period Errors | Changes in Equity Share Capital During Current Period | Closing Balance at Reporting Period |
|---|----------------------------------|--|---|-------------------------------------|
| Balance at the beginning and at the end of the year | 5,00,000                         | -  | -   | 5,00,000                            |
| <b>Balance as at the end of the year</b>            | <b>5,00,000</b>                  | <b>-</b>                                     | <b>-</b>  | <b>5,00,000</b>                     |
| Previous Reporting Period Mar'22                    | Balance at Beginning of the Year | Changes in Equity Due to Prior Period Errors | Changes in Equity Share Capital During Current Period | Closing Balance at Reporting Period |
| Balance at the beginning and at the end of the year | 5,00,000                         | -  | -   | 5,00,000                            |
| <b>Balance as at the end of the year</b>            | <b>5,00,000</b>                  | <b>-</b>                                     | <b>-</b>  | <b>5,00,000</b>                     |

**B. Other Equity**

|  | Reserves and surplus |                 |                    | Total              |
|--|----------------------|-----------------|--------------------|--------------------|
|  | Securities premium   | General reserve | Retained earnings  |                    |
| <b>Balance as at 1 April 2021</b>                | -                    | -               | (90,98,904)        | (90,98,904)        |
| Profit for the year                              | -                    | -               | 7,46,347           | 7,46,347           |
| Other comprehensive income                       | -                    | -               | -                  | -                  |
| <b>Total comprehensive income for the year</b>   | <b>-</b>             | <b>-</b>        | <b>7,46,347</b>    | <b>7,46,347</b>    |
| Issue of equity shares, net of transaction costs | -                    | -               | -                  | -                  |
| Dividends paid                                   | -                    | -               | -                  | -                  |
| Transfer to debenture redemption reserve         | -                    | -               | -                  | -                  |
| <b>Balance as at 1 April 2022</b>                | <b>-</b>             | <b>-</b>        | <b>(83,52,557)</b> | <b>(83,52,557)</b> |
| Profit for the year                              | -                    | -               | 79,75,315          | 79,75,315          |
| Other comprehensive income                       | -                    | -               | -                  | -                  |
| <b>Total comprehensive income for the year</b>   | <b>-</b>             | <b>-</b>        | <b>79,75,315</b>   | <b>79,75,315</b>   |
| Issue of equity shares, net of transaction costs | -                    | -               | -                  | -                  |
| Dividends paid                                   | -                    | -               | -                  | -                  |
| Transfer to debenture redemption reserve         | -                    | -               | -                  | -                  |
| <b>Balance as at 31 March 2023</b>               | <b>-</b>             | <b>-</b>        | <b>(3,77,242)</b>  | <b>(3,77,242)</b>  |

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

As per our report of even date attached

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

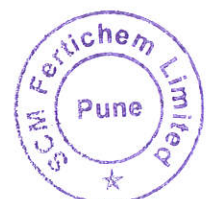
Anand D Joshi  
Partner  
M.No. 113805  
Place: Pune  
Date: 08 May 2023



For and on behalf of Board of Directors  
SCM Fertichem Limited

Amitabh Bhargava  
Director  
DIN: 00109596  
Place: Pune  
Date: 08 May 2023

Jitender Mishra  
Director  
DIN: 09802571  
Place: Pune  
Date: 08 May 2023



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## SCM Fertichem Limited

### Notes to the standalone financial statements for the year ended 31 March 2023

#### Note 1: The Company and Nature of its Operations:

SCM Fertichem Limited is a public limited company domiciled in India and incorporated under the provisions of Companies Act, 1956. The company is in the manufacturing and trading of fertilisers, petroleum and agricultural activity having registered office at Deepak Complex, Off Golf Course, Shastri Nagar, Yerwada, Pune-411006.

#### Note 2: Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements.

##### (a) Basis of Preparation:

###### i. Compliance with Ind AS

The standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The standalone financial statements have been prepared on accrual and going concern basis.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current non-current classification of assets and liabilities.

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset is treated as current when:

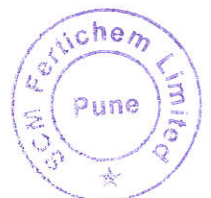
- It is expected to be realised or intended to be sold or consumed in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period; or
- It is a cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as noncurrent.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as noncurrent.



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**SCM Fertichem Limited**

**Notes to the standalone financial statements for the year ended 31 March 2023**

**ii. Historical cost convention**

- a) The standalone Financial Statements have been prepared on historical cost basis.
- b) The standalone financial statements are presented in Indian Rupees ("INR"), which is also the Company's functional currency and all values are rounded off to the nearest Rupees.

**(b) Significant accounting estimates, assumptions and judgements.**

The preparation and presentation of financial statements in conformity with Ind-AS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of amounts of revenues and expenses during the period.

Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Accounting estimates could change from period to period. Any revision to accounting estimates is recognized prospectively in the current and future periods, and if material, their effects are disclosed in the financial statements. Actual results could differ from the estimates. Any difference between the actual results and estimates are recognized in the period in which the results are known/materialize.

**(c) Revenue recognition**

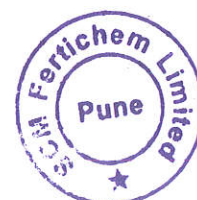
Effective 01 April 2018, Ind AS 115 - 'Revenue from contracts with customers' has replaced Ind AS 18 - 'Revenue' and Ind AS 11 - 'Construction contracts'. The Company has applied Ind AS 115 'Revenue from Contracts with customers' ("hereinafter referred to as Ind AS 115") effective from 01 April 2018, using modified retrospective approach for the purpose of transition. Accordingly, comparatives for the previous period have not been restated. The application of Ind AS 115 did not have any material impact on the financial results of the Company.

Ind AS 115 specifies a uniform, five-step model for revenue recognition, which is generally to be applied to all contracts with customers

**Sale of Goods:**

The Company recognizes revenue from sale of goods measured at the fair value of the consideration received or receivable, upon satisfaction of performance obligation which is at a point in time when control of the goods is transferred to the customer, generally on delivery of the goods. Depending on the terms of the contract, which differs from contract to contract, the goods are sold on a reasonable credit term. As per the terms of the contract, consideration that is variable, according to Ind AS 115, is estimated at contract inception and updated thereafter at each reporting date or until crystallisation of the amount.

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## SCM Fertichem Limited

### Notes to the standalone financial statements for the year ended 31 March 2023

#### (d) Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company operates and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone 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 reporting period 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 utilise those temporary differences and losses.

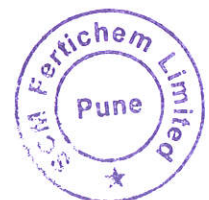
Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

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 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 realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income ("OCI") or directly in equity. In this case, the tax is also recognised in OCI or directly in equity, respectively.

Minimum Alternate Tax paid as per Indian Income Tax Act, 1961 is in the nature of unused tax credits which can be carried forward and utilized when the Company will pay normal income tax during the specified period. Deferred tax asset on such tax credit is recognized to the extent that it is probable that the unused tax credit can be utilized in the specified future period. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

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## SCM Fertichem Limited

### Notes to the standalone financial statements for the year ended 31 March 2023

#### (e) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

#### ***Company as a lessee***

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets in which case they are capitalized in accordance with the Company's general policy on borrowing costs. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

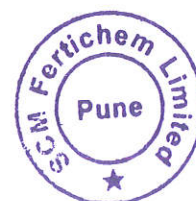
#### ***Company as a lessor***

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from an operating lease is recognized on a straight-line basis over the term of the relevant lease. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

#### **Transition to Ind AS 116**

The Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116-Leases effective 1st April 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognized on the date of initial application (1st April 2019). Accordingly, previous period information has not been restated.





**SCM Fertichem Limited**

**Notes to the standalone financial statements for the year ended 31 March 2023**

The Company's lease asset classes primarily consist of leases for Buildings, Furniture and Equipments. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset
- the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

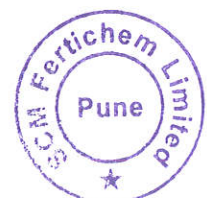
Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest on lease liability.

Please refer note 6 for details of the right-of-use asset held by the company.

Lease contracts entered by the Company majorly pertains for buildings, furniture & equipments taken on lease to conduct its business in the ordinary course.

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**SCM Fertichem Limited**

**Notes to the standalone financial statements for the year ended 31 March 2023**

**(f) Business Combinations:**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any noncontrolling interests in the acquiree. For each business combination, the Company elects whether to measure the noncontrolling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

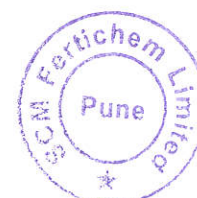
Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Company entered into to replace share-based payment arrangements of the acquire are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interests method. The assets and liabilities of combining entities are reflected at their carrying amounts. No adjustments are made to reflect fair values, or recognize any new assets or liabilities.

Consideration for business combination may consist of securities, cash or other assets. Securities are recorded at nominal value. In determination of the value of consideration, assets other than cash are considered at their fair values. The difference between any consideration given and the aggregate carrying amount of assets and liabilities of the acquired entity is recorded in shareholder's equity.

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## SCM Fertichem Limited

### Notes to the standalone financial statements for the year ended 31 March 2023

#### (g) Impairment of financial assets

The Company assesses on a forward booking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

#### (h) Impairment of non-financial assets

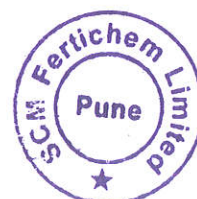
The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates that the assets' recoverable amount. An assets' recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset unless the asset does not generate cashflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and it is written down to its recoverable amount. In assessing value in use, the estimated future cashflows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken in account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share price for publicly traded entities or other available fair value indicators.

#### (i) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

#### (j) Inventories

- Raw materials are valued at lower of moving weighted average cost and net realisable value. However these items are written down to realisable value if the costs of the related finished goods is not expected to recover the cost of raw materials.
- Stores, regular spares, oil, chemicals, catalysts and packing material are valued at moving weighted average cost.
- Cost of inventory of materials is ascertained net of applicable CENVAT/VAT/ GST credits.
- Finished goods including those held for captive consumption are valued at lower of factory cost or net realisable value.
- Stock-in-trade is valued at lower of cost and net realisable value.
- Value of Work-in-Process of all products is ignored for the purpose of inventory having regard to the concept of materiality and difficulty of quantifying such stocks with exactitude.



## SCM Fertichem Limited

### Notes to the standalone financial statements for the year ended 31 March 2023

#### (k) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised 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 derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

#### Depreciation methods, estimated useful lives and residual value:

Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets as prescribed in Schedule – II of the Companies Act, 2013. As per requirements of the Companies Act, 2013 the Company has also identified significant components of the assets and its useful life based on the internal technical evaluation. Depreciation charge on such components is based on its useful life.

- Depreciation for assets purchased/sold during a period is proportionately charged.
- Cost of Leasehold Land is amortised over the lease period

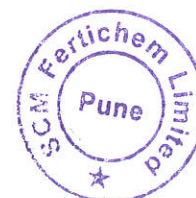
#### Capital work in progress (CWIP)

Projects under commissioning and other CWIP are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost. Subsequent expenditures relating to property, plant and equipment are capitalised only when it is probable that future economic benefit associated with these will flow to the Company and the cost of the item can be measured reliably. Advances given to acquire property, plant and equipment are recorded as non-current assets and subsequently transferred to CWIP on acquisition of related assets.

#### (l) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 to 60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost.

*Y. Sava*





## SCM Fertichem Limited

### Notes to the standalone financial statements for the year ended 31 March 2023

#### (m) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

#### (n) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

#### (o) Bearer plant

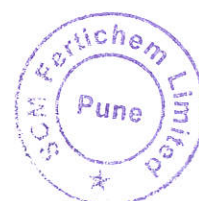
Bearer plants are living plants used in the production or supply of agricultural produce; are expected to bear produce for more than one period; and have a remote likelihood of being sold as agricultural produce, except for incidental scrap sales.

Bearer plants mainly include mature and immature pomogranate plantations. Immature plantations are stated at acquisition cost which includes costs incurred for field preparation, planting, fertilising and maintenance, and an allocation of other indirect costs based on planted hectares. Mature plantations are stated at acquisition cost less accumulated depreciation and impairment. Mature plantations are depreciated on a straight-line basis and over its estimated useful life of 6 years, upon commencement of commercial production.

The carrying values of bearer plants are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The residual values, useful life and depreciation method are reviewed at each financial year end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits.

A bearer plant is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the bearer plant is included in the income statement in the year the bearer plant is derecognised.

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**SCM Fertichem Limited**

**Notes to the standalone financial statements for the year ended 31 March 2023**

**(p) Provisions**

Provisions for legal claims, volume discounts and returns are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

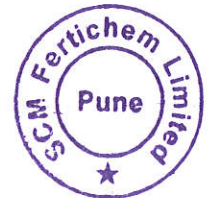
Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

**(q) Earning per share**

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods 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 net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

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**SCM Fertichem Limited**

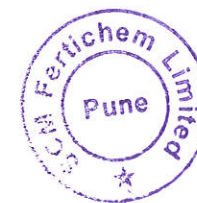
Notes to the financial statements for the year ended 31 March 2023

(All amounts in ₹ unless otherwise stated)

**Note 2: PROPERTY, PLANT & EQUIPMENT**

|  | Lease-hold Land Improvement | Plant and Equipment | Bearer plants      | Office Equipments | Total              |
|--|-----------------------------|---------------------|--------------------|-------------------|--------------------|
| <b>Gross carrying amount</b>                     |                             |                     |                    |                   |                    |
| As at 1 April 2021                               | 1,01,11,324                 | 32,73,249           | 2,09,93,445        | 13,42,877         | 3,57,20,895        |
| Additions  | -                           | -                   | -                  | -                 | -                  |
| Disposals  | -                           | -                   | -                  | -                 | -                  |
| Adjustment                                       | -                           | -                   | -                  | -                 | -                  |
| <b>Gross carrying amount as at 31 March 2022</b> | <b>1,01,11,324</b>          | <b>32,73,249</b>    | <b>2,09,93,445</b> | <b>13,42,877</b>  | <b>3,57,20,895</b> |
| <b>Accumulated depreciation and impairment</b>   |                             |                     |                    |                   |                    |
| Opening accumulated depreciation                 | (1,01,11,324)               | (32,73,249)         | (2,09,93,445)      | (13,42,877)       | (3,57,20,895)      |
| Depreciation charge for the year                 | -                           | -                   | -                  | -                 | -                  |
| On disposals                                     | -                           | -                   | -                  | -                 | -                  |
| Accumulated depreciation as at 31 March 2022     | (1,01,11,324)               | (32,73,249)         | (2,09,93,445)      | (13,42,877)       | (3,57,20,895)      |
| <b>Net carrying amount as on 31 March 2022</b>   | <b>-</b>                    | <b>-</b>            | <b>-</b>           | <b>-</b>          | <b>-</b>           |
| Additions  | -                           | -                   | -                  | -                 | -                  |
| Disposals  | -                           | -                   | -                  | -                 | -                  |
| Adjustment                                       | -                           | -                   | -                  | -                 | -                  |
| <b>Gross carrying amount as at 31 March 2023</b> | <b>-</b>                    | <b>-</b>            | <b>-</b>           | <b>-</b>          | <b>-</b>           |
| Opening accumulated depreciation                 | -                           | -                   | -                  | -                 | -                  |
| Depreciation charge for the year                 | -                           | -                   | -                  | -                 | -                  |
| On disposals                                     | -                           | -                   | -                  | -                 | -                  |
| Accumulated depreciation as at 31 March 2023     | -                           | -                   | -                  | -                 | -                  |
| <b>Net carrying amount as on 31 March 2023</b>   | <b>-</b>                    | <b>-</b>            | <b>-</b>           | <b>-</b>          | <b>-</b>           |

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**SCM Fertichem Limited**

Notes to the financial statements for the year ended 31 March 2023

(All amounts in ₹ unless otherwise stated)

**Note 3: Leases****A. Right of use assets**

| Particulars                                | Leasehold Land | Total |
|--|----------------|-------|
| Balance as at 1 April 2021                 | -              | -     |
| Add: Addition during the year              | -              | -     |
| Less: Transferred during the year          | -              | -     |
| Less: depreciation charged for the period  | -              | -     |
| Balance as at March 31, 2022               | -              | -     |
| Add: Addition during the year              | -              | -     |
| Less: Transferred/reversed during the year | -              | -     |
| Less: depreciation charged for the period  | -              | -     |
| Balance as at March 31, 2023               | -              | -     |

**B. Lease liabilities**

| Particulars | As at<br>31 March 2023 | As at<br>31 March 2022 |
|-------------|------------------------|------------------------|
| Current     | -                      | -                      |
| Non Current | -                      | -                      |
| Total       | -                      | -                      |

**C. Interest expenses on lease liabilities**

| Particulars                   | As at<br>31 March 2023 | As at<br>31 March 2022 |
|-------------------------------|------------------------|------------------------|
| Interest on lease liabilities | -                      | -                      |

**D. Expenses on short term leases / low value assets**

| Particulars      | As at<br>31 March 2023 | As at<br>31 March 2022 |
|------------------|------------------------|------------------------|
| Short term lease | -                      | -                      |
| Low value assets | -                      | -                      |

**E. Amounts recognised in the statement of**

| Particulars                   | As at<br>31 March 2023 | As at<br>31 March 2022 |
|-------------------------------|------------------------|------------------------|
| Total cash outflow for leases | -                      | -                      |

**F. Maturity analysis – contractual undiscounted cash flows**

| Particulars                          | As at<br>31 March 2023 | As at<br>31 March 2022 |
|--------------------------------------|------------------------|------------------------|
| Less than one year                   | -                      | -                      |
| One to five years                    | -                      | -                      |
| More than five years                 | -                      | -                      |
| Total undiscounted lease liabilities | -                      | -                      |

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 Fertilchem Limited**

Notes to the financial statements for the year ended 31 March 2023

(All amounts in ₹ unless otherwise stated)

**Note 4: TRADE RECEIVABLES**

|  | 31 March 2023 | 31 March 2022    |
|--|---------------|------------------|
| Trade Receivables                        |               |                  |
| Unsecured, considered good               |               | 22,80,490        |
| Unsecured, credit Impaired               | 22,80,490     | -                |
| Less: Provision for Bad & Doubtful Asset | (22,80,490)   | -                |
| <b>Total</b>                             | <b>-</b>      | <b>22,80,490</b> |

| Trade Receivables Ageing Mar'23   | Less than 6 months | 6 months - 1 Year | 1 Year - 2 Year | Total       |
|---|--------------------|-------------------|-----------------|-------------|
| (i) Undisputed Trade Receivables - considered good                      | -                  | -                 | -               | -           |
| (ii) Undisputed Trade Receivables - significant increase in credit risk | -                  | -                 | -               | -           |
| (ii) Undisputed Trade Receivables - credit impaired                     | -                  | -                 | -               | -           |
| (iv) Disputed Trade Receivables - significant increase in credit risk   | -                  | -                 | -               | -           |
| (v) Disputed Trade Receivables - credit impaired                        | -                  | 9,88,688          | 12,91,802       | 22,80,490   |
| Less: Provision for Bad & Doubtful Asset                                | -                  | (9,88,688)        | (12,91,802)     | (22,80,490) |
| <b>Total</b>  | <b>-</b>           | <b>-</b>          | <b>-</b>        | <b>-</b>    |

| Trade Receivables Ageing Mar'22   | Less than 6 months | 6 months - 1 Year | 1 Year - 2 Year  | Total            |
|---|--------------------|-------------------|------------------|------------------|
| (i) Undisputed Trade Receivables - considered good                      | 9,88,688           | -                 | 12,91,802        | 22,80,490        |
| (ii) Undisputed Trade Receivables - significant increase in credit risk | -                  | -                 | -                | -                |
| (ii) Undisputed Trade Receivables - credit impaired                     | -                  | -                 | -                | -                |
| (iv) Disputed Trade Receivables - significant increase in credit risk   | -                  | -                 | -                | -                |
| (v) Disputed Trade Receivables - credit impaired                        | -                  | -                 | -                | -                |
| <b>Total</b>  | <b>9,88,688</b>    | <b>-</b>          | <b>12,91,802</b> | <b>22,80,490</b> |

**Note 5: CASH & CASH EQUIVALENTS**

|                       | 31 March 2023   | 31 March 2022    |
|-----------------------|-----------------|------------------|
| Balances with banks   |                 |                  |
| - in current accounts | 8,48,379        | 38,46,241        |
| <b>Total</b>          | <b>8,48,379</b> | <b>38,46,241</b> |

**Note 6: OTHER FINANCIAL ASSETS**

|                   | 31 March 2023 |             | 31 March 2022 |             |
|-------------------|---------------|-------------|---------------|-------------|
|                   | Current       | Non Current | Current       | Non Current |
| (i) Others        |               |             |               |             |
| Security deposits | -             | -           | -             | -           |
| <b>Total</b>      | <b>-</b>      | <b>-</b>    | <b>-</b>      | <b>-</b>    |

**Note 7: SHARE CAPITAL**

|  | 31 March 2023 | 31 March 2022 |
|--|---------------|---------------|
| 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**

| Equity Shares  | 31 March 2023 |                 | 31 March 2022 |                 |
|--|---------------|-----------------|---------------|-----------------|
|  | No of Shares  | Amount          | No of Shares  | Amount          |
| 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                            | -             | -               | -             | -               |
|  | <b>50,000</b> | <b>5,00,000</b> | <b>50,000</b> | <b>5,00,000</b> |

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

|   | 31 March 2023    |           | 31 March 2022    |           |
|---|------------------|-----------|------------------|-----------|
|   | Number of shares | % Holding | Number of shares | % Holding |
| Deepak Fertiliser & Petrochemicals Corp Ltd | 50,000           | 100.00%   | 50,000           | 100.00%   |

**(iii) Shareholding by Promoters**

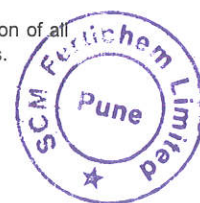
| Shares held by promoters at the end of the year | 31 March 2023    |           | 31 March 2022    |           |
|---|------------------|-----------|------------------|-----------|
|   | Number of shares | % Holding | Number of shares | % Holding |
| Deepak Fertiliser & Petrochemicals Corp Ltd     | 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.



**SCM Fertichem Limited**

Notes to the financial statements for the year ended 31 March 2023

(All amounts in ₹ unless otherwise stated)

**Note 8: OTHER EQUITY**

|                   | 31 March 2023     | 31 March 2022      |
|-------------------|-------------------|--------------------|
| Retained earnings | (3,77,242)        | (83,52,557)        |
| <b>Total</b>      | <b>(3,77,242)</b> | <b>(83,52,557)</b> |

**(vi) Retained earnings**

|                         | 31 March 2023     | 31 March 2022      |
|-------------------------|-------------------|--------------------|
| Opening balance         | (83,52,557)       | (90,98,904)        |
| Net profit for the year | 79,75,315         | 7,46,347           |
| <b>Closing balance</b>  | <b>(3,77,242)</b> | <b>(83,52,557)</b> |

**Note 9: CURRENT BORROWINGS**

|                                 | 31 March 2023 | 31 March 2022    |
|---------------------------------|---------------|------------------|
| <b>Unsecured</b>                |               |                  |
| From related parties            | -             | 50,00,000        |
| <b>Total current borrowings</b> | <b>-</b>      | <b>50,00,000</b> |
| <b>Total</b>                    | <b>-</b>      | <b>50,00,000</b> |

**RECONCILIATION OF BORROWINGS**

|                        | 31 March 2023 | 31 March 2022 |
|------------------------|---------------|---------------|
| Non-current borrowings | -             | -             |
| Current borrowings     | -             | 50,00,000     |
|                        | -             | 50,00,000     |

**Note 10: TRADE PAYABLES**

|  | 31 March 2023   | 31 March 2022    |
|--|-----------------|------------------|
| Trade payables   |                 |                  |
| (a) total outstanding dues of micro and small enterprises                      | -               | -                |
| (b) total outstanding dues of creditors other than micro and small enterprises | 4,12,984        | 40,54,941        |
| <b>Total</b>   | <b>4,12,984</b> | <b>40,54,941</b> |

| Trade Payables Ageing (31st March 2023) | Outstanding for following periods from due date of payment |          |          |                  |          |
|---|--|----------|----------|------------------|----------|
|   | Less than 1 year   | 1-2 year | 2-3 year | More than 3 year | Total    |
| (i) MSME                                | -  | -        | -        | -                | -        |
| (ii) Others                             | 35,400   | -        | 3,77,584 | -                | 4,12,984 |
| (iii) Disputed dues – MSME              | -  | -        | -        | -                | -        |
| (iv) Disputed dues - Others             | -  | -        | -        | -                | -        |

| Trade Payables Ageing (31st March 2022) | Outstanding for following periods from due date of payment |           |          |                  |           |
|---|--|-----------|----------|------------------|-----------|
|   | Less than 1 year   | 1-2 year  | 2-3 year | More than 3 year | Total     |
| (i) MSME                                | -  | -         | -        | -                | -         |
| (ii) Others                             | 5,88,364   | 11,89,518 | 3,44,137 | 19,32,922        | 40,54,941 |
| (iii) Disputed dues – MSME              | -  | -         | -        | -                | -         |
| (iv) Disputed dues - Others             | -  | -         | -        | -                | -         |

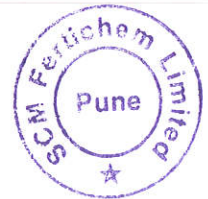
**Note 11: OTHER FINANCIAL LIABILITIES**

|                  | 31 March 2023 | 31 March 2022    |
|------------------|---------------|------------------|
| Interest Payable | -             | 47,60,592        |
| <b>Total</b>     | <b>-</b>      | <b>47,60,592</b> |

**Note 12: OTHER CURRENT LIABILITIES**

|                        | 31 March 2023 | 31 March 2022   |
|------------------------|---------------|-----------------|
| Statutory dues payable | -             | 2,00,041        |
| <b>Total</b>           | <b>-</b>      | <b>2,00,041</b> |

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**SCM Fertichem Limited**

Notes to the financial statements for the year ended 31 March 2023

(All amounts in ₹ unless otherwise stated)

**Note 13: REVENUE FROM OPERATIONS**

|                         | 31 March 2023 | 31 March 2022 |
|-------------------------|---------------|---------------|
| <b>Sale of products</b> |               |               |
| Finished goods          | -             | -             |
| <b>Total</b>            | -             | -             |

**Note 14: OTHER INCOME**

|                            | 31 March 2023      | 31 March 2022    |
|----------------------------|--------------------|------------------|
| Interest on IT refund      | 2,354              | -                |
| Other non-operating income | 1,06,14,132        | 12,71,187        |
| <b>Total</b>               | <b>1,06,16,486</b> | <b>12,71,187</b> |

**Note 15: COST OF MATERIALS CONSUMED**

|   | 31 March 2023 | 31 March 2022 |
|---|---------------|---------------|
| Raw materials as at the beginning of the year | -             | -             |
| Add: Purchases during the year                | -             | -             |
| Less: Raw material as at the end of the year  | -             | -             |
| <b>Total</b>                                  | -             | -             |

**Note 16: FINANCE COSTS**

|                              | 31 March 2023 | 31 March 2022   |
|------------------------------|---------------|-----------------|
| Interest and finance charges | 3,892         | 4,76,421        |
| Less: Interest capitalised   | -             | -               |
| <b>Total</b>                 | <b>3,892</b>  | <b>4,76,421</b> |

**Note 17: DEPRECIATION AND AMORTISATION EXPENSE**

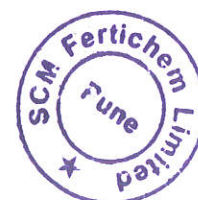
|   | 31 March 2023 | 31 March 2022 |
|---|---------------|---------------|
| Depreciation on property, plant and equipment | -             | -             |
| Amortisation on intangible assets             | -             | -             |
| <b>Total</b>                                  | -             | -             |

**Note 18: OTHER EXPENSES (NET)**

|  | 31 March 2023    | 31 March 2022 |
|--|------------------|---------------|
| Rent                                     | 5,400            | -             |
| Legal and professional fees              | 2,200            | 11,400        |
| Payments to auditors (note 37(a) below)  | 35,400           | 35,400        |
| Provision for doubtful trade receivables | 22,80,490        | -             |
| Miscellaneous expenses                   | -                | 1,620         |
| <b>Total</b>                             | <b>23,23,490</b> | <b>48,420</b> |

**Note 18(a): DETAILS OF PAYMENTS TO AUDITORS**

|                            | 31 March 2023 | 31 March 2022 |
|----------------------------|---------------|---------------|
| <b>Payment to auditors</b> |               |               |
| <b>As auditor:</b>         |               |               |
| Audit fee                  | 35,400        | 35,400        |
| <b>Total</b>               | <b>35,400</b> | <b>35,400</b> |

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**SCM Fertichem Limited**

**Note 19: Related Party transactions**

Notes to the financial statements for the year ended 31 March 2023  
(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 (till 30.03.22)  
Shri A P Shah  
Shri Ritesh Chaudhry (from 29.03.22)

**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 2023  |            | 31 March 2022  |             |
|---------|--|----------------|------------|----------------|-------------|
|         |  | Holding Entity | Total      | Holding Entity | Total       |
| 1       | <b>Reimbursement of expenses</b><br>Deepak fertilisers and petrochemicals corporation ltd.           | -              | -          | -              | -           |
| 2       | <b>Interest expense on loan taken</b><br>Deepak fertilisers and petrochemicals corporation ltd.      | (3,35,856)     | (3,35,856) | (4,75,000)     | (4,75,000)  |
| 3       | <b>Asset Purchase</b><br>Deepak fertilisers and petrochemicals corporation ltd.                      | -              | -          | -              | -           |
| 4       | <b>Loan or Advances Taken/(Write back)</b><br>Deepak fertilisers and petrochemicals corporation ltd. | -              | -          | -              | -           |
| 8       | <b>Amount outstanding as on 31-03-2023</b>   |                |            |                |             |
|         | <b>Unsecured Loan</b><br>Deepak fertilisers and petrochemicals corporation ltd.                      | -              | -          | (50,00,000)    | (50,00,000) |
|         | <b>Interest Payable</b><br>Deepak fertilisers and petrochemicals corporation ltd.                    | -              | -          | (47,60,592)    | (47,60,592) |
|         | <b>Other Receivables</b><br>Deepak fertilisers and petrochemicals corporation ltd.                   | -              | -          | (36,41,498)    | (36,41,498) |

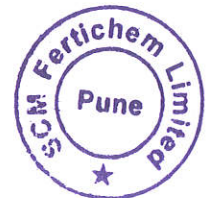
Note: Figures in bracket are outflows/payables/ Book Entry for extinguishment of liability  
All transaction are in ordinary course and on an arm's length basis

**Note 20: Contingent Liabilities Commitments - Nil**

**Note 21:** 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 22:** Previous year figures have been regrouped wherever necessary, to correspond with the current year's classification / disclosure.

*Y. Seng*





**SCM Fertichem Limited**

Notes to the financial statements for the year ended 31 March 2023

**Note 23: Ratios**

| Particulars                          | Current Year | Previous Year | Items included in numerator   | Items included in denominator   | explanation shall be provided for any change in the ratio by more than 25% as compared to the preceding year |
|--------------------------------------|--------------|---------------|---|---|--|
| (a) Current Ratio                    | 1.17         | 0.44          | Current investments,Inventories,Cash and bank balances,Short-term loans and advances and Other current assets   | Trade payables ,Other current liabilities (excluding current maturities of LTB) and Short-term provisions | Security deposit & lease income from farm received in cash .   |
| (b) Debt-Equity Ratio                | -            | (0.64)        | Long Term Borrowings,Long Term Borrowings - current maturities and Short Term Borrowings  | Share capital and Reserves and surplus  | -  |
| (c) Debt Service Coverage Ratio      | -            | (0.01)        | EBIDTA('Profit Before share of (loss) of Equity accounted investees and Income Tax +Depreciation and amortisation expense+Finance Costs-Other Income) | Long Term Borrowings,Long Term Borrowings - current maturities, Finance Cost                              | Loan reduced by 4.5 cr.  |
| (d) Return on Equity Ratio           | (2.06)       | (0.19)        | Profit after tax for the current year   | Average of net worth current and previous year  | Sub lease income.  |
| (e) Inventory turnover ratio         | -            | -             | COGS  | Average of inventory current and previous year  | -  |
| (f) Trade Receivables turnover ratio | -            | -             | Revenue from operations   | Average of receivables current and previous year  | -  |
| (g) Trade payables turnover ratio    | -            | -             | Purchase of RMPM and stock in trade   | Average of payable current and previous year  | -  |
| (h) Net capital turnover ratio       | -            | -             | Revenue from operations   | Average of net working capital current and previous year  | -  |
| (i) Net profit ratio                 | -            | -             | Profit after tax for the current year   | Revenue from operations   | -  |
| (j) Return on Capital employed       | 67.74        | (0.16)        | Profit before tax & Interest  | Net worth   | -  |
| (k) Return on investment.            | -            | -             | Return on Investment  | Average of Net worth current and previous year  | -  |

**Note :** Disclosures related to Benami Property held ,Wilful Defaulter,Relationship with Struck off Companies,Registration of charges or satisfaction with Registrar of Companies (ROC), Compliance with number of layers of companies,Compliance with approved Scheme(s) of Arrangements and Details of Crypto Currency or Virtual Currency are not applicable during the year ended 31st March , 2023

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