

# ANNUAL REPORT 2020-21



**THE PHOSPHATE COMPANY LIMITED**

## **THE PHOSPHATE COMPANY LIMITED**

CIN: L24231WB1949PLC017664

### **BOARD OF DIRECTORS**

Shri Binod Khaitan	Non Executive Director
Shri Hemant Bangur	Non Executive Director
Shri Dilip P Goculdas	Independent Director
Smt. Sonali Sen	Independent Director
Shri Suresh Kumar Bangur	Executive Director & CEO

### **PRESIDENT & CFO**

Shri Ajay Bangur

### **COMPANY SECRETARY**

Shri Shankar Banerjee

### **STATUTORY AUDITORS**

M/s. S. K. Agrawal and Co. Chartered Accountants LLP  
Kolkata

### **BANKERS**

State Bank of India, Kolkata  
Canara Bank (e-Syndicate Bank), Kolkata

### **REGISTRAR & SHARE TRANSFER AGENT**

Maheshwari Datamatics Pvt. Ltd.  
CIN : U20221WB1982PTC034886  
23, R.N. Mukherjee Road, 5th Floor, Kolkata - 700001  
Telephone: 033-22482248; Fax: 033-22484787  
E-mail: mdpldc@yahoo.com

### **Registered Office**

14, NETAJI SUBHAS ROAD KOLKATA -700001  
Phone: 033-22300771/40351234  
E-mail : lakshmiphosphate@gmail.com  
Website : www.phosphate.co.in

### **WORKS**

45, Ramkrishna Road, Rishra  
Hooghly- 712248 (WB)  
Tel: 033-2672 1448/1497  
E-mail : phosphaterishra@gmail.com

## DIRECTORS REPORT

Your Directors have pleasure in presenting their Annual Report together with the Audited Accounts of the Company for the year ended March 31, 2021

(Amount in lakhs Rs.)

FINANCIAL RESULTS	Stand-alone		Consolidated	
	Current year	Previous year	Current year	Previous year
<b>Gross Sales</b>	<b>6808</b>	<b>7883</b>	<b>6808</b>	<b>7883</b>
EBIDTA	766	717	758	717
Finance Cost	303	412	303	412
Depreciation	105	106	105	106
Tax Provisions	103	(14)	101	(14)
<b>Profit after tax</b>	<b>255</b>	<b>213</b>	<b>249</b>	<b>212</b>
Other Comprehensive Income	(13)	(11)	(13)	(11)
<b>Total Comprehensive Income</b>	<b>242</b>	<b>202</b>	<b>236</b>	<b>202</b>

## BUSINESS PERFORMANCE & AFFAIRS

The corona virus (COVID-19) pandemic has had an unprecedented impact on business and on the human race. The country's economic curve saw a steep decline particularly in the April - June 2020. The Company's production was suspended in the last week of March 2020 post the country wide lockdown announced by the Government of India. Production commenced in phases from mid-May. Devastating Cyclone AMPHAN severely hit Rishra Factory on 20th May 2020.

During the year, the Company launched a new Brand LAKSHMI KISAN BRAND for North Bengal Market to counterfeit rampant menace of duplicate material in that area.

During the year under review, the Company's turnover was down due to Pandemic induced lockdown. However soft Raw Material Prices helped the Company to achieve higher earnings before providing for Interest, Depreciation & Tax of Rs.766 lakhs compared to Rs.717 lakhs in previous year. After providing for Interest, Depreciation, Tax and Other Comprehensive Items, Total Comprehensive Income during the year stood at Rs.242 lakhs compared to Rs.202lakhs in previous year.

As reported earlier, Goods & Service Tax (GST) on FERTILISER is under Inverted Duty Structure wherein output is taxed at 5% flat and Input on Goods and Services is Taxed between 5 to 28%. Thus a substantial amount remains as GST Balance with Government which needs to be refunded. Government is granting refund only of Goods portion. Recently, Gujrat High Court in the case of VKC Footsteps has ordered to refund accumulated GST on Goods as well as on services also. Accordingly, we have filed a Refund claim of Rs.97 lacs levied on SERVICES for the year 2017-18. GST Department has rejected the claim citing another judgment of Madras High Court. The company has filed an appeal against Department's order, however as a matter of prudence, the Company has written down the same in the books.

## OUTLOOK

Prices of Raw materials are increasing since January 2021. Considering increase in prices, Government of India has announced higher rate of subsidy @ Rs.7513/- PMT for the period May 2021 to October 2021 compared to 2643/- PMT for the period April to March 2021. As more and more people are returning to Agricultural sector due to COVID pandemic, we expect consumption of fertiliser to be robust in times to come.

## LISTING

The Company Equity Shares are listed at a) BSE Ltd. (Bombay Stock Exchange Ltd.) with Scrip Code:542123 and b) Calcutta Stock Exchange Ltd. with scrip code:26031

## DEMATERIALISATION OF SHARES

SEBI(Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 has made transfer of securities compulsorily in dematerialised form of your company's share w.e.f. 1st April 2019.

The ISIN of your Company's shares is INE398C01016 and the same can be dematerialised with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

As on March 31, 2021, 94.62 % of the Company's share capital stands dematerialized.

#### **CREDIT RATING**

Your Company's Lead Banker State Bank of India has informed that they do not require bank loan ratings for loans upto Rs.50 crores. As the banking limits of your Company is within that range, your Company has stopped conducting Bank Loan Rating.

#### **DIVIDEND**

To conserve resources due to higher working capital requirements no dividend is proposed by the Company.

#### **TRANSFER TO GENERAL RESERVES**

No amount is proposed to be transferred to the General Reserves.

#### **CAPEX AND LIQUIDITY**

During the year under review, the Company incurred capital expenditure of Rs.11.93 lacs, which has been funded through internal accruals. The Company successfully managed its liquidity position despite outbreak of COVID pandemic.

#### **COVID-19 RESPONSE**

The Company began taking precautionary measures a week before the lockdown was announced on March 23, 2020. Employees were asked to work from home (WFH) to reduce overall footfall. Thermal screening for all the employees, contract labour and visitors were initiated. A COVID-19 awareness campaign was also initiated for the workforce through various digital communication channels. A cross-functional COVID-19 Task Force was constituted that developed & deployed SOPs on the shop floor to ensure safety of the employees. Most employees in the plant were put on roster system with other initiatives such as staggered sitting arrangement in offices, effective sanitization plan, etc. All visitors, new employees and employees returning from leave were tested and allowed to enter the plant only if they were declared Covid negative.

#### **SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT**

In compliance with the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors, upon the recommendation of the Audit Committee, has approved the appointment of CS Ajay Kumar Agarwal, Proprietor of M/s Agarwal A & Associates, Company Secretaries in Whole-time-Practice [C.P. No. 13493 (FCS-7604)], as the Secretarial Auditor of the Company for the Financial Year ending March 31, 2022. The Secretarial Audit Report for the financial year ended March 31, 2021, in Form MR-3, forms an integral part of this report and is annexed as Annexure A & A(i).

#### **MANAGEMENT DISCUSSION AND ANALYSIS**

Management discussion and analysis, comprising details of the overview, industry structure and development of the Company is annexed as Annexure B and forms an integral part of the Director's Report.

#### **SHARE CAPITAL**

There has been no alteration of share capital during the year. The paid-up Equity Share Capital as on 31st March, 2021 was Rs.360.75 lacs. During the year under review, the Company has not issued any shares. The Company has not issued any shares with Differential Voting Rights. It has neither issued Employee Stock Options nor Sweat Equity Shares and does not have any scheme to fund its employees to purchase the shares of the Company.

#### **DIRECTORS**

The Board of Directors of the Company has an optimum combination of executive and non-executive directors with at least one woman director and not less than fifty per cent of the board of directors comprising of non-executive directors.

The Board of Directors of your Company comprises of Shri Binod Khaitan (DIN00128502) and Shri Hemant Bangur (DIN:00040903) as Non-Independent & Non-Executive Directors, Shri Dilip Pratapsingh Goculdas (DIN:00367409) and Smt. Sonali Sen (DIN:00451839) as Independent Director, and Shri Suresh Kumar Bangur (DIN:00040862) as Executive Director.

### **RE-APPOINTMENT OF DIRECTOR RETIRING BY ROTATION**

In terms of the provisions of Section 152 of the Act read with Article of the Articles of Association of the Company, Shri Suresh Kumar Bangur (DIN:00040862), Executive Director, will retire by rotation at the ensuing AGM and is eligible for re-appointment.

The necessary resolution for re-appointment of Mr. Bangur forms part of the Notice convening the AGM. The Board recommends and seeks your support in confirming re-appointment of Mr. Bangur. The profile and particulars of experience, attributes and functional expertise that qualify him for Board Membership are duly disclosed in the Notice convening the AGM.

### **WOMAN DIRECTOR**

Smt. Sonali Sen (DIN:00451839), is the Independent Women Director of your Company.

### **DECLARATION BY INDEPENDENT DIRECTOR**

The Company has received the necessary declaration from each Independent Director (IDs) in accordance with Section 149(7) of the Act and Regulations 16(1)(b) and 25(8) of the SEBI Listing Regulations, that he/she meets the criteria of independence as laid out in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations.

In the opinion of the Board, as per the confirmations received from the IDs, there has been no change in the circumstances which may affect their status as IDs of the Company and the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act) of all IDs on the Board.

Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, IDs of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

### **NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS**

Your Board of Directors met 4 times during the financial year 2020-21. The respective dates of the Board Meeting are 31st July 2020, 14th September 2020, 9th November 2020 and 10th February 2021. Intervening gap between two meetings is within the time limit prescribed under and in lines with the relaxations permitted for pandemic Covid under the Companies Act, 2013 and SEBI Regulations.

### **DIRECTORS RESPONSIBILITY STATEMENT**

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The directors have prepared the annual accounts on a going concern basis.
- e) The directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively.
- f) The directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such system are adequate and operating effectively.

### **FORMAL ANNUAL EVALUATION**

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

The evaluation of the Independent Directors was carried out by the entire Board and that of the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement and effectiveness of the Board and its Committees with the Company.

**KEY MANAGERIAL PERSONNEL**

Shri Suresh Kumar Bangur, Executive Director & CEO (DIN:00040862), Shri Ajay Bangur, President & CFO (PAN:ADRPB5699N) and Shri Shankar Banerjee (ACS 45073) Dy. Secretary of the Company are the Key Managerial Personnel of the Company.

The tenure of Shri Suresh Kumar Bangur as Executive Director/CEO expires on 11th August 2021. Approval of the members is being sought for re-appointment of Shri Bangur as Executive Director/CEO at the ensuing Annual General Meeting.

**APPOINTMENT AND REMUNERATION POLICY OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES**

In adherence of section 178(1) of the Companies Act, 2013, the Board of Directors of your Company in its Meeting held on 15th May, 2014, approved a policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided u/s 178(3), based on the recommendations of the Nomination and Remuneration Committee. The broad parameters covered under the Policy are -

Company Philosophy, Guiding Principles, Nomination of Directors, Remuneration of Directors, Nomination and Remuneration of the Key Managerial Personnel (other than Managing/ Whole-time Directors), Key-Executives and Senior Management and the Remuneration of Other Employees. The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in Annexure -D and forms part of this Report.

**INTERNAL CONTROL SYSTEM & ADEQUACY**

Your Company has an Internal Control System, commensurate with the size, scale and complexity of operations. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee. The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board for its direction.

The Company has an adequate internal financial controls system over financial reporting and operating effectively as at 31 March 2021.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

Your Company has not entered into any transactions within the purview of Section 186 of the Companies Act 2013.

**PUBLIC DEPOSITS**

The Company has not accepted any fixed deposits nor does the Company have any outstanding deposits under Section 73 of the Act, read with the Companies (Acceptance of Deposit) Rules, 2014 as on the date of the Balance Sheet.

**SUBSIDIARY COMPANIES**

M/s Abhinandan Goods Pvt. Ltd. is the wholly owned subsidiary of your Company. During the year, your Company has invested Rs.10 crores by subscribing to 9% Compulsorily Redeemable Preference Shares issued by the wholly owned subsidiary company. The salient features of the Financial Statement including details of performance and financial position of the Subsidiary Company is presented in the prescribed format in Form AOC-1 as per Annexure-E forming a part of the Director's Report.

The annual financial statements of the subsidiary and related detailed information are kept at the Registered Office of the Company and also at the Registered Office of the subsidiary company and will be available to investors seeking information at any time during business hours.

**CONSOLIDATED FINANCIAL STATEMENTS**

The consolidated financial statements of the Company and its subsidiary, which forms a part of the Annual Financial Statements, have been prepared in accordance with the provisions of section 129(3) of the Companies Act 2013.



**EXTRACT OF ANNUAL RETURN**

The extract of the Annual Return in Form No. MGT-9 forms part of the Board's Report and is annexed herewith as Annexure - G.

**HUMAN RESOURCES**

As on March 31, 2021 your company had 38 permanent employees. The company acknowledges the importance of human value and ensures that proper encouragement both moral and financial is extended to employees to motivate them. The company maintained cordial relationship with workers and staff during the year. Particulars of employees required under section 197(12) of the Companies Act 2013 read with Rule 5(1) of Companies (Management and Administration) Rules 2014 is annexed in Annexure H and forms an integral part of this report.

**RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflicting interest with your company at large. A statement of all Related Party Transactions is placed before the Audit Committee for its review, specifying the nature, value and terms and conditions of the transactions. Details of the transactions with Related Parties are provided in the accompanying financial statements.

Pursuant to the third proviso of Section 188(1) of the Act, the compliance with the provisions of Section 188(1) is not applicable, where all RPTs are carried out in the ordinary course of business and under arms length policy basis.

Accordingly, the disclosure of RPTs as required under Section 134(3) (h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 is not applicable to the Company for FY 2020- 21. However, the said disclosure is enclosed as Annexure F.

**CODE OF CONDUCT**

The Code of Conduct, adopted by your Board of Directors, is applicable to Directors, senior management and employees of the Company. The Code is derived from three interlinked fundamental principles, viz. good corporate governance, good corporate citizenship and exemplary personal conduct in relation to the Company's business and reputation. The Code covers commitment to responsibility and sustainable development, concern for occupational health, safety and environment, a gender friendly workplace, transparency and auditability, legal compliance and the philosophy of leading by personal example.

**VIGIL MECHANISM & WHISTLE BLOWER POLICY**

Your Company has in place a robust vigil mechanism for reporting genuine concerns through the Company's whistle blower policy to deal with fraud or mismanagement, if any. The Policy ensures that strict confidentiality be maintained whilst dealing with concerns and that no discrimination will be meted out to any person for a genuinely raised concern.

**PREVENTION OF INSIDER TRADING**

Your Company's Code of Conduct for Prevention of Insider Trading 2015, approved by the Board of Directors, inter alia, prohibits purchase or sale of securities of the Company by Directors and employees while in possession of unpublished price sensitive information in relation to the Company.

**CORPORATE SOCIAL RESPONSIBILITY**

Section 135 of the Companies Act 2013 relating to Corporate Social Responsibility Committee and its obligations are not applicable to your Company as it is neither having net worth of Rupees Five Hundred Crore or more, or turnover of Rupees One Thousand Crore or more, nor a net profit of Rupees Five Crore or more during any financial year.

**INSURANCE**

All the properties of your Company are adequately insured.

## **STATUTORY AUDITOR & AUDIT REPORT**

M/s. S.K.Agrawal and Co Chartered Accountants LLP F.R.No.306033E/E300272 (formerly M/s S.K.Agrawal & Co., Chartered Accountants (F.R.No.305158E), were appointed as the Statutory Auditors of the Company at the 69th AGM of the Company. The appointment was for a term of 5 (five) consecutive years from the conclusion of 69th AGM till the conclusion of 74th AGM of the Company subject to ratification by the members at each Annual General Meeting. It is to be noted that the Companies (Amendment) Act, 2017 has omitted the provision for seeking ratification of such appointment at every intervening AGM.

The Notes on financial statements referred to in Auditors Report are self-explanatory and do not call for any further comments.

## **COST AUDITOR & COST AUDIT**

Pursuant to the provisions of Section 148 of the Act and the Companies (Cost Records and Audit) Rules, 2014, your Company is required to have its cost records audited by a Cost Accountant in practice. The Board of Directors, upon the recommendation of the Audit Committee, has approved the appointment of M/s. S Gupta & Co., Cost Accountants (F.R.No.000020) as the Cost Auditors of the Company for the Financial Year ending March 31, 2022. Pursuant to Section 148 of the Act, read with Rule 14(a)(ii) of Companies (Audit and Auditors) Rules, 2014, ratification of the remuneration of Cost Auditors is being sought from the Members of the Company at the ensuing AGM. The details of the same are provided in the Notice convening the AGM.

## **INTERNAL AUDITORS**

Your Directors have appointed M/s Batliboi Purohit & Darbari, Chartered Accountants, (F.R.No.303086E), as Internal Auditor for the financial year ending 31st March, 2022.

## **AUDIT COMMITTEE**

The Audit Committee is duly constituted as per the provisions of the Act, applicable Rules framed there under read with the SEBI Listing Regulations. The primary objective of the Committee is monitoring and supervising the Management's financial reporting process to ensure accurate and timely disclosures with highest levels of transparency, integrity and quality of financial reporting.

The Audit Committee of the Board of Directors of the Company during the year under review, comprised of 3 (Three) Members, namely Shri Dilip P Goculdasas the Chairman of the Committee, Smt. Sonali Sen and Shri Suresh Kumar Bangur. Shri Goculdas and Smt. Sen are Independent Directors and Shri Bangur is a Non-Independent Executive Director. The Committee met four times in the financial year 2020-21 respectively on 30th August 2020, 14th September 2020, 9th November 2020 and 12th February 2021. The Board accepted all the recommendations of the Audit Committee during the year.

## **STAKEHOLDERS RELATIONSHIP COMMITTEE**

Your Company has a duly constituted stakeholder's relationship committee. The members comprises of Shri Binod Khaitan as Chairman, Shri Hemant Bangur and Shri Suresh Kumar Bangur. One meeting of the Committee was held during the year on 12th February 2021.

## **BUSINESS RISK MANAGEMENT**

Pursuant to section 134 (3) (n) of the Companies Act, 2013, the Board of Directors of the company regularly evaluates its associated business risks. It has an elaborate risk management procedure in place and systematic approach to mitigate risk associated with accomplishment of objectives and operations. At present it has not identified any element of risk threatening existence of the company in dealing with agro input products.

This robust Risk Management framework seeks to create transparency, minimize adverse impact on business objectives and enhance the Company's competitive advantage.

The Internal Audit Department is responsible for facilitating coordination with the heads of various Departments, with respect to the process of identifying key risks associated with the business, manner of handling risks, adequacy of mitigating factors and recommending corrective action.



**TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND**

There was no amount lying unclaimed/ unpaid with the Company for transfer to the Investor Education and Protection Fund pursuant to the provisions of 124(5) of the Companies Act 2013.

**ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO AND PARTICULARS OF EMPLOYEES*****Energy Conservation***

- a) Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilisation of energy is achieved.
- b) No specific investment has been made towards reduction in energy consumption.

***Technology Absorption***

Company's products are manufactured by adopting the available contemporary technology. The Company constantly strives for maintaining quality of its products.

***Foreign Exchange Earnings & Outgo***

Particulars	2020-21	2019-20
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo		
-Purchase of Raw materials	Rs.20,07,99,138	Nil
-Others	Rs.20,52,00,304	Nil

***Particulars of Employees***

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided by way of Annexure G.

**SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS / STATUTORY AUTHORITIES**

The Company has filed a writ-petition with Honorable High Court at Kolkata challenging the constitutional validity of West Bengal Tax on Entry of Goods into Local Areas Act, 2012. Consequently, Court has granted stay for payment and/or recovery of such Tax. Subsequently, with the amendment in Act, the matter has been transferred to Tribunal where the matter is pending. However, in view of Demand, Company has made full provision of Tax Amount.

No significant material orders passed by the regulators / statutory authorities after the close of the financial year till the date of this Report which affects the financial position of the Company for the reporting period.

**CORPORATE GOVERNANCE**

In terms of Reg. 15 of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 your Company has been exempted from the applicability of corporate governance provisions as specified in regulations 17, [17A,] 18, 19, 20, 21, 22, 23, 24, 13[24A,] 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015.

**MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY**

The COVID-19 pandemic has rapidly spread across the world as well as in India and has caused shutdown of Businesses from time to time during FY 2020-21. The Company has carried its operations in line with the directives of the Government of India. The Company is regularly monitoring the impact of the pandemic on all aspect of its business. However, the management does not see long term risks in the Company's ability to sustain and meeting its liabilities as and when they fall due. However, given the uncertainties associated with the eventual outcome, nature and duration of the pandemic, the impact may be different from that estimated as on the date of signing of the Director's Report.

**SEXUAL HARASSMENT**

The Company has always believed in providing a conducive work environment devoid of discrimination and harassment including sexual harassment. During the year 2020-21, no case of Sexual Harassment was reported.

**REPORTING OF FRAUDS:**

There have been no instances of fraud reported by the Statutory Auditors under Section 143 of the Act read with relevant Rules framed thereunder either to the Company or to the Central Government.

**OTHER DISCLOSURES**

The Company has proper and adequate systems and processes in place to ensure compliance with all applicable Secretarial Standards issued by The Institute of Company Secretaries of India. There has been no change in the nature of Business.

**ACKNOWLEDGEMENTS**

The Board places on record its appreciation for the sustained co-operation and support bestowed to your Company by customers, vendors, regulators, banks, financial institutions, rating agencies, stock exchanges, depositories, auditors, advisors, consultants, associates, State and Central Government at all levels and all the employees for their helping hand, cooperation and dedicated work. The Board deeply acknowledges the trust and confidence placed on the Company and all its shareholders.

On behalf of the Board of Directors

For **The Phosphate Co. Ltd.**

**(Suresh Kumar Bangur)**

Executive Director

DIN:00040862

**(Binod Khaitan)**

Director

DIN:00128502

Kolkata

Dated: 14th August, 2021

**CAUTIONARY STATEMENT:**

*Statement in the Directors' Report and Management Discussion & Analysis Report describing the Company's expectations may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may vary materially from those expressed in the statement. Important factors that could influence the Company's operation include global and domestic demand and supply conditions affecting selling prices, new capacity additions, availability of critical materials and their costs, changes in government policies and tax laws, economic development of the country and such other factors which are material to the business of the Company.*

*The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.*