THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED
REGISTERED OFFICE:ELOOR, UDYOGAMANDAL, KOCHI.
CIN : L24129KL1943GOI000371
Website: http://www.fact.co.in

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31ST DECEMBER 2021

Rs. in lakhs

	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2021	30.09.2021	31.12.2020	31.12.2021	31.12.2020	31.03.2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I.	Revenue from operations	120846	78165	83904	273225	243766	325882
II.	Other income	3180	2654	1789	8237	4521	6759
III.	Total income(I+II)	124026	80819	85693	281462	248287	332641
IV.	Expenses						
	(a) Cost of materials consumed	90945	55175	40032	181629	101096	139048
	(b) Purchases of stock-in-trade	59	105	9139	307	24835	34091
	(c) Changes in inventories of finished goods,work-in-progress and stock-in-trade	-13742	-6131	-5034	-9917	12790	9672
	(d) Employee benefits expense	5976	4773	6857	17059	18940	22922
	(e) Finance costs	6188	6157	6117	18468	18319	24527
	(f) Depreciation and amortization expense	702	376	491	1841	1481	2269
	(g) Other expenses	26611	13791	14420	54235	50604	64914
	Total expenses	116739	74246	72022	263622	228065	297443
V.	Profit / (Loss) before exceptional items and tax (III-IV)	7287	6573	13671	17840	20222	35198
VI.	Exceptional items -wage revision arrear 1.1.1997 to 30.06.2001(Note 5)	-2928	-2928	-	-5856	-	-
VII.	Profit/(Loss) before tax (V+VI)	4359	3645	13671	11984	20222	35198
VIII.	Tax expense						
	(1) Current tax	-	-	-	-	-	-
	(2) Deferred tax	-	-	-	-	-	-
IX	Profit /(Loss) for the period from continuing Operations (VII-VIII)	4359	3645	13671	11984	20222	35198
X	Profit /(Loss) for the period from discontinuing Operations	-	-	-	-	-	-
XI	Tax Expenses of discontinued Operations	-	-	-	-	-	-
XII	Profit /(Loss) for the period from discontinued Operations after Tax	-	-	-	-	-	-
XIII	Profit /(Loss) for the period (IX+XII)	4359	3645	13671	11984	20222	35198
XIV	Other comprehensive Income						
	i. Items that will not be reclassified to Profit & Loss	1277	-23	-	1254	-21	815
	ii. Remeasurement of defined benefit plan	-	-	-	-	-	-4318
XV	Total comprehensive Income for the period (XIII+XIV) (Comprising of profit (Loss) and Other Comprehensive Income for the period)	5636	3622	13671	13238	20201	31695
XVI	Reserves excluding Revaluation Reserves as per balance sheet of Previous Accounting Year	-	-	-	-	-	-82206
XVII	Paid-up Equity Share Capital (Face Value of the Share is Rs. 10 per Share)	64707	64707	64707	64707	64707	64707
XVIII	Earnings per equity share of Rs 10 each (not Annualised)						
	(1) Basic -Rs	0.67	0.56	2.11	1.85	3.13	5.44
	(2) Diluted -Rs	0.67	0.56	2.11	1.85	3.13	5.44

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STANDALONE UNAUDITED FINANCIAL RESULTS SHOWING SEGMENT WISE REVENUE, RESULTS & CAPITAL EMPLOYED FOR THE QUARTER ENDED 31ST DECEMBER 2021

(Rs.in Lakh)

Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2021	30.09.2021	31.12.2020	31.12.2021	31.12.2020	31.03.2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1.Segment Revenue						
a)Fertiliser:-	107105	76311	84045	257741	244009	325955
b)Petrochemical:-	14266	2152	1	16421	5	9
c)Unallocated:-	1406	47	536	1633	1326	2263
Less: Inter Segment Revenue	1064	-27	375	1098	970	1429
Gross sales/Income from Operations	121713	78537	84207	274697	244370	326798
2.Segment Results						
Profit (+) / Loss (-) before tax and Finance cost						
a)Fertiliser:-	8990	8641	19712	27727	38445	59290
b)Petrochemical:-	368	-424	-315	-1144	-1185	-4237
c)Unallocated:-	2	-27	73	36	-1	-1231
Total	9360	8190	19470	26619	37259	53822
Less						
i.Finance cost	6188	6157	6117	18468	18319	24527
ii.Other un-allocable expenditure-net of un-allocable income	1126	670	1168	2932	2635	-59
Add						
iii) Interest Income	2313	2282	1486	6765	3917	5843
Total Profit/(Loss) Before Tax	4359	3645	13671	11984	20222	35198
3a. SEGMENT ASSETS	As on 31.12.2021	As on 30.09.2021	As on 31.12.2020	As on 31.12.2021	As on 31.12.2020	As on 31.03.2021
a)Fertiliser	343199	336064	284832	343199	284832	296560
b)Petrochemical	24211	22023	13768	24211	13768	13228
c) Others	20087	16112	17814	20087	17814	21445
	387497	374199	316414	387497	316414	331233
3b. SEGMENT LIABILITIES						
a)Fertiliser	371383	364525	245743	371383	245743	334595
b)Petrochemical	7139	5709	2218	7139	2218	2575
c) Others	15241	15254	11906	15241	11906	15530
	393763	385488	259867	393763	259867	352700
3c.SEGMENT CAPITAL EMPLOYED (SEGMENT ASSETS - SEGMENT LIABILITIES)						
a)Fertiliser	-28184	-28461	39089	-28184	39089	-38035
b)Petrochemical	17072	16314	11550	17072	11550	10653
c) Others	4846	858	5908	4846	5908	5915
Total	-6266	-11289	56547	-6266	56547	-21467

Segment results are prepared based on the method consistently followed by the Company.

THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED
REGISTERED OFFICE:ELOOR, UDYOGAMANDAL, KOCHI.
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STANDALONE UNAUDITED FINANCIAL RESULTS SHOWING SEGMENT WISE REVENUE, RESULTS & CAPITAL EMPLOYED FOR THE QUARTER ENDED 31ST DECEMBER 2021

Notes:

1. These results have been reviewed by the Audit committee and approved by the Board of Directors at their respective meetings held on 4 th February , 2022

2. Spread of COVID 19 has affected the economic activity across the Globe, including India. However, the Government classified the Fertilizers business of the company as an "Essential Commodity" and granted certain relaxations and guidelines so that production and distribution of the same will not be affected. The Company operated its plants during the period ended December 31, 2021 following the covid protocol and guidelines issued by the Government. The Company has considered the possible effects that may result from the pandemic on the carrying amounts of receivables, inventories, and other financial assets, considering the available internal and external information up to the date of approval of these financial statements. Based on the nature of these assets, the company expects to recover the carrying amount of these assets as on December 31, 2021.

3. The land held by the company also includes lease hold land of 143.22 acres with value Rs.Nil, under lease from Government of Kerala (GoK). During the year 2019-20, the company has sold 481.79 acres of Land as approved by the Government of India, at the rate of Rs.1 Crore per acre for 150 Acres (in lieu of free hold right over 143.22 acres of land); and remaining 331.79 acres at the rate of Rs.2.4758 Crore per acre as assessed by the District Collector. Accordingly, the Government of Kerala has accorded freehold right to the Company over the said 143.22 acres of land, vide G.O. (Ms) No. 99/2019/1D dated 13-11-2019. Pending issue of the title deed and other formalities in connection with the conversion, the company has not changed the classification of the said 143.22 acres of land

4. Recognition of the company's share of profit/loss in its Joint Ventures:
a. As the company has fully provided the value of investment in FACT – RCF Building Products Limited, the company has not recognised share of its losses in FACT – RCF Building Products Limited for the period ended December 31, 2021.
b. Considering the size of the Joint Venture, the profit/loss generated by Kerala Enviro Infrastructure Ltd is not material in comparison with the financial results of the company. Hence the results of operation of the Joint Venture for the period ended December 31, 2021 is considered as nil.

5. The Department of Fertilizers, Ministry of Chemicals and Fertilizers, Government of India has given "in principle" approval for payment of wage revision arrears relating to the period from 01.01.1997 to 30.06.2001 in respect of managerial and non-managerial employees with certain conditions on installment basis. The Company decided to provide the entire liability of Rs 8784 Lakhs in the financial statements by the end of the financial year 2021-22 by absorbing the liability evenly from the quarter ended September 30, 2021. Accordingly, an amount of Rs 2928 Lakhs has been provided for the quarter ended December 31, 2021.

6. During the quarter ended September 30, 2021, the Company detected certain shortages in fertilizer stock in a depot and the investigation is in progress. Mean time the company estimated the impact and made provision for the same in the financial statements.

7. Since review / decision on implementation of 2017 pay revision for the Board level and below Board level executives of the Company is yet to be taken by the Department of Fertilisers, Government of India, the amount of liability, if any, cannot be ascertained and provided.

8. The figures for the corresponding previous periods have been regrouped/reclassified, wherever found necessary, to confirm to current period presentation.

Kochi
Date: 04.02.2022

S Sakthimani
Director (Finance) & Chief Financial Officer

K. VENKATACHALAM AIYER & Co.
CHARTERED ACCOUNTANTS

No.41/3647B, First Floor
BLUE BIRD TOWERS
Providence Road, Ernakulam
KOCHI – 682 018

Tel • (0484) 2396511
Email • kviyerekm@gmail.com

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of The Fertilisers and Chemicals Travancore Limited ("the Company") Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to

The Board of Directors

The Fertilisers and Chemicals Travancore Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of **The Fertilisers and Chemicals Travancore Limited** ("the company") for the quarter ended December 31,2021 and year to date April 1, 2021 to December 31, 2021 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

2. This statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, ('Ind AS 34') "*Interim Financial Reporting*" prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the statement in accordance with the Standard on Review Engagements (SRE) 2410, *'Review of Interim Financial Information performed by the Independent Auditor of the Entity'* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an Audit. Accordingly, we do not express an audit opinion.

4. Basis for Qualified conclusion

As explained in note number 3 of the statement regarding sale of land and conversion of leasehold land into freehold land to the Company by Government of Kerala (GoK) during the financial year 2019-2020, though GoK has accorded freehold right to the Company over 143.22 acres of land vide G. O.(Ms) No. 99/2019/1D

dated 13-11-2019, the Company is yet to receive freehold title deed. According to the Company, the fair value of the non-monetary asset of freehold title of the land converted as required under Ind AS 16 – 'Property Plant and Equipment' and the consequent revenue/changes in equity, cannot be recognised at this stage, as it is not quantified. In view of this, we are unable to comment on the compliance of the said Ind AS and the impact thereof on the financial statements.

5. Qualified Conclusion

Based on our review conducted and procedures performed as stated in paragraph 3 above, with the exception of the matters described in the preceding paragraph 4, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Emphasis of Matters

We draw attention to the following notes to the statements.

i. Note No 4, in respect of recognition of fair value changes of investment in joint venture/associate through other comprehensive income during the period from 01-04-2021 to 31-12-2021.

ii. Note No.5 in respect of the method of providing wage revision arrears spread over three quarters relating to the period from 01.01.1997 to 30.06.2001 in respect of managerial and non-managerial employees

iii. Note no 6 regarding estimated provision against irregularities in stock pending investigation in progress Rs 218.50 Lakhs.

Our conclusion is not modified in respect of these matters.

7. Going Concern

The Company has accumulated loss amounting to Rs 78,677 lakhs with a negative net worth of Rs 4,401 lakhs as on December 31, 2021. The current liabilities exceed its current assets by Rs 29,389 Lakhs. However, the Company has reported net profit of Rs 11,984 lakhs during the nine months period ended December 31, 2021. The Company has a balance under current assets of Cash and Cash Equivalents and Other Bank balances of Rs 1,75,576 Lakhs as on December 31, 2021. The company submitted proposal for restructuring of the loan received from Government of India. After considering these conditions, the standalone financial statements of the Company have been prepared on going concern basis

Our conclusion is not modified in respect of this matter.

8. The company does not have the required number of Independent Directors on its Board due to vacancy arising out of end of term of the existing independent directors, from June 2019 onwards, and consequently, the Audit Committee, the Stakeholders Relationship Committee and Nomination and Remuneration

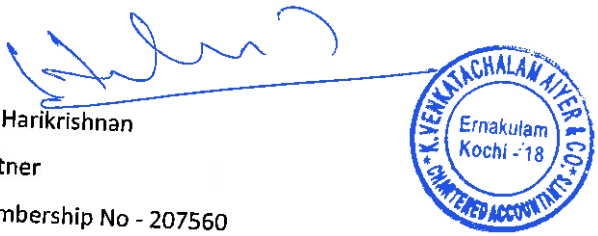
Committee are not comprised of Independent Directors in compliance with relevant Regulations of SEBI Listing Obligation and Disclosure Requirements (LODR) Regulations, 2015.

Our conclusion is not modified in respect of this matter.

For K Venkatachalam Aiyer & Co

Chartered Accountants

FRN: 004610S



P S Harikrishnan

Partner

Membership No - 207560

UDIN: 22207560AAJOCP3926

Place: Kochi

Date: 04-02-2022

THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED
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STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31ST DECEMBER 2021

Rs. in lakhs

	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2021	30.09.2021	31.12.2020	31.12.2021	31.12.2020	31.03.2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I.	Revenue from operations	120846	78165	83904	273225	243766	325882
II.	Other income	3180	2654	1789	8237	4521	6759
III.	Total income(I+II)	**124026**	**80819**	**85693**	**281462**	**248287**	**332641**
IV.	Expenses						
	(a) Cost of materials consumed	90945	55175	40032	181629	101096	139048
	(b) Purchases of stock-in-trade	59	105	9139	307	24835	34091
	(c) Changes in inventories of finished goods,work-in-progress and stock-in-trade	-13742	-6131	-5034	-9917	12790	9672
	(d) Employee benefits expense	5976	4773	6857	17059	18940	22922
	(e) Finance costs	6188	6157	6117	18468	18319	24527
	(f) Depreciation and amortization expense	702	376	491	1841	1481	2269
	(g) Other expenses	26611	13791	14420	54235	50604	64914
	Total expenses	**116739**	**74246**	**72022**	**263622**	**228065**	**297443**
V.	Profit / (Loss) before exceptional items and tax (III-IV)	**7287**	**6573**	**13671**	**17840**	**20222**	**35198**
VI.	Exceptional items -wage revision arrear 1.1.1997 to 30.06.2001(Note 5)	-2928	-2928	-	-5856		-
VII.	Profit/(Loss) before tax (V+VI)	**4359**	**3645**	**13671**	**11984**	**20222**	**35198**
VIII.	Tax expense						
	(1) Current tax	-	-	-	-	-	-
	(2) Deferred tax	-	-	-	-	-	-
IX	Profit /(Loss) for the period from continuing Operations (VII-VIII)	**4359**	**3645**	**13671**	**11984**	**20222**	**35198**
X	Profit /(Loss) for the period from discontinuing Operations	-	-	-	-	-	-
XI	Tax Expenses of discontinued Operations	-	-	-	-	-	-
XII	Profit /(Loss) for the period from discontinued Operations after Tax	-	-	-	-	-	-
XIII	Profit /(Loss) for the period (IX+XII)	**4359**	**3645**	**13671**	**11984**	**20222**	**35198**
XIV	Other comprehensive Income						
	i. Items that will not be reclassified to Profit & Loss	1277	-23	-	1254	-21	815
	ii. Remeasurement of defined benefit plan	-	-	-	-	-	-4318
XV	Total comprehensive Income for the period (XIII+XIV) (Comprising of profit (Loss) and Other Comprehensive Income for the period)	**5636**	**3622**	**13671**	**13238**	**20201**	**31695**
XVI	Reserves excluding Revaluation Reserves as per balance sheet of Previous Accounting Year	-	-	-	-	-	-82206
XVII	Paid-up Equity Share Capital (Face Value of the Share is Rs. 10 per Share)	**64707**	**64707**	**64707**	**64707**	**64707**	**64707**
XVIII	Earnings per equity share of Rs 10 each (not Annualised)						
	(1) Basic -Rs	0.67	0.56	2.11	1.85	3.13	5.44
	(2) Diluted -Rs	0.67	0.56	2.11	1.85	3.13	5.44

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CONSOLIDATED UNAUDITED FINANCIAL RESULTS SHOWING SEGMENT WISE REVENUE, RESULTS & CAPITAL EMPLOYED FOR THE QUARTER ENDED 31ST DECEMBER 2021

(Rs.in Lakh)

Particulars	Quarter ended			Nine months ended		Year ended
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	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1.Segment Revenue						
a)Fertiliser:-	107105	76311	84045	257741	244009	325955
b)Petrochemical:-	14266	2152	1	16421	5	9
c)Unallocated:-	1406	47	536	1633	1326	2263
Less: Inter Segment Revenue	1064	-27	375	1098	970	1429
Gross sales/Income from Operations	121713	78537	84207	274697	244370	326798
2.Segment Results						
Profit (+) / Loss (-) before tax and Finance cost						
a)Fertiliser:-	8990	8641	19712	27727	38445	59290
b)Petrochemical:-	368	-424	-315	-1144	-1185	-4237
c)Unallocated:-	2	-27	73	36	-1	-1231
Total	9360	8190	19470	26619	37259	53822
Less						
i.Finance cost	6188	6157	6117	18468	18319	24527
ii.Other un-allocable expenditure-net of un-allocable income	1126	670	1168	2932	2635	-59
Add						
iii) Interest Income	2313	2282	1486	6765	3917	5843
Total Profit/(Loss) Before Tax	4359	3645	13671	11984	20222	35198
3a. SEGMENT ASSETS	.As on 31.12.2021	As on 30.09.2021	As on 31.12.2020	As on 31.12.2021	As on 31.12.2020	As on 31.03.2021
a)Fertiliser	343199	336064	284832	343199	284832	296560
b)Petrochemical	24211	22023	13768	24211	13768	13228
c) Others	20087	16112	17814	20087	17814	21445
	387497	374199	316414	387497	316414	331233
3b. SEGMENT LIABILITIES						
a)Fertiliser	371383	364525	245743	371383	245743	334595
b)Petrochemical	7139	5709	2218	7139	2218	2575
c) Others	15241	15254	11906	15241	11906	15530
	393763	385488	259867	393763	259867	352700
3c.SEGMENT CAPITAL EMPLOYED (SEGMENT ASSETS - SEGMENT LIABILITIES)						
a)Fertiliser	-28184	-28461	39089	-28184	39089	-38035
b)Petrochemical	17072	16314	11550	17072	11550	10653
c) Others	4846	858	5908	4846	5908	5915
Total	-6266	-11289	56547	-6266	56547	-21467

Segment results are prepared based on the method consistently followed by the Company.

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Notes:

1. These results have been reviewed by the Audit committee and approved by the Board of Directors at their respective meetings held on 4 th February , 2022

2. Spread of COVID 19 has affected the economic activity across the Globe, including India. However, the Government classified the Fertilizers business of the company as an "Essential Commodity" and granted certain relaxations and guidelines so that production and distribution of the same will not be affected. The Company operated its plants during the period ended December 31, 2021 following the covid protocol and guidelines issued by the Government. The Company has considered the possible effects that may result from the pandemic on the carrying amounts of receivables, inventories, and other financial assets, considering the available internal and external information up to the date of approval of these financial statements. Based on the nature of these assets, the company expects to recover the carrying amount of these assets as on December 31, 2021.

3. The land held by the company also includes lease hold land of 143.22 acres with value Rs.Nil, under lease from Government of Kerala (GoK). During the year 2019-20, the company has sold 481.79 acres of Land as approved by the Government of India, at the rate of Rs.1 Crore per acre for 150 Acres (in lieu of free hold right over 143.22 acres of land); and remaining 331.79 acres at the rate of Rs.2.4758 Crore per acre as assessed by the District Collector. Accordingly, the Government of Kerala has accorded freehold right to the Company over the said 143.22 acres of land, vide G.O. (Ms) No. 99/2019/1D dated 13-11-2019. Pending issue of the title deed and other formalities in connection with the conversion, the company has not changed the classification of the said 143.22 acres of land

4. Recognition of the company's share of profit/loss in its Joint Ventures:
a. As the company has fully provided the value of investment in FACT – RCF Building Products Limited, the company has not recognised share of its losses in FACT – RCF Building Products Limited for the period ended December 31, 2021.
b. Considering the size of the Joint Venture, the profit/loss generated by Kerala Enviro Infrastructure Ltd is not material in comparison with the financial results of the company. Hence the results of operation of the Joint Venture for the period ended December 31, 2021 is considered as nil.

5. The Department of Fertilizers, Ministry of Chemicals and Fertilizers, Government of India has given "in principle" approval for payment of wage revision arrears relating to the period from 01.01.1997 to 30.06.2001 in respect of managerial and non-managerial employees with certain conditions on installment basis. The Company decided to provide the entire liability of Rs 8784 Lakhs in the financial statements by the end of the financial year 2021-22 by absorbing the liability evenly from the quarter ended September 30, 2021. Accordingly, an amount of Rs 2928 Lakhs has been provided for the quarter ended December 31, 2021.

6. During the quarter ended September 30, 2021, the Company detected certain shortages in fertilizer stock in a depot and the investigation is in progress. Mean time the company estimated the impact and made provision for the same in the financial statements.

7. Since review / decision on implementation of 2017 pay revision for the Board level and below Board level executives of the Company is yet to be taken by the Department of Fertilisers, Government of India, the amount of liability, if any, cannot be ascertained and provided.

8. The figures for the corresponding previous periods have been regrouped/reclassified, wherever found necessary, to confirm to current period presentation.

Kochi
Date: 04.02.2022

S Sakthimani
Director (Finance) & Chief Financial Officer

K. VENKATACHALAM AIYER & Co.
CHARTERED ACCOUNTANTS

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Tel • (0484) 2396511
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Independent Auditor's Review Report on Unaudited Quarterly and Year to Date Consolidated Financial Results of The Fertilisers and Chemicals Travancore Limited ("the Company") Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to

The Board of Directors

The Fertilisers and Chemicals Travancore Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of **The Fertilisers and Chemicals Travancore Limited** ("the Parent") and its share of Net Profit / (Loss) after tax and total comprehensive Income / (Loss) of its jointly controlled entities (the company and its joint operations / controlled together referred to as "Group") for the quarter ended December 31,2021 and year to date April 1, 2021 to December 31, 2021 ("the Consolidated Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

2. This consolidated statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, "*Interim Financial Reporting*" ('Ind AS 34') prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the statement in accordance with the Standard on Review Engagements (SRE) 2410, *'Review of Interim Financial Information performed by the Independent Auditor of the Entity'* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an Audit. Accordingly, we do not express an audit opinion.

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We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019, dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

4. Basis for Qualified conclusion

As explained in note number 3 of the statement regarding sale of land and conversion of leasehold land into freehold land to the Company by Government of Kerala (GoK) during the financial year 2019-2020, though GoK has accorded freehold right to the Company over 143.22 acres of land vide G. O. (Ms) No. 99/2019/1D dated 13-11-2019, the Company is yet to receive freehold title deed. According to the Company, the fair value of the non-monetary asset of freehold title of the land converted as required under Ind AS 16 – 'Property Plant and Equipment' and the consequent revenue/changes in equity, cannot be recognised at this stage, as it is not quantified. In view of this, we are unable to comment on the compliance of the said Ind AS and the impact thereof on the financial statements.

5. Qualified Conclusion

Based on our review conducted and procedures performed as stated in paragraph 3 above with the exception of the matters described in the preceding paragraph 4, and based on the consideration of the results of the jointly controlled entities submitted by their management referred to in paragraph 8 below, nothing has come to our attention that causes us to believe that the accompanying consolidated statement prepared in accordance with applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules made thereunder and other recognized accounting principles and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Emphasis of Matters

We draw attention to the following notes to the statements.

i. Note No.5 with respect of the method of providing wage revision arrears spread over three quarters relating to the period from 01.01.1997 to 30.06.2001 in respect of managerial and non-managerial employees.

ii. Note no 6 regarding estimated provision against irregularities in stock pending investigation in progress Rs 218.50 Lakhs.

Our conclusion is not modified in respect of these matters.

7. Going Concern

The Company has accumulated loss amounting to Rs 78,677 lakhs with a negative net worth of Rs 4,401 lakhs as on December 31, 2021. The current liabilities exceed its current assets by Rs 29,389 Lakhs. However, the Company has reported net profit of Rs 11,984 lakhs during the nine months period ended December 31, 2021. The Company has a balance under current assets of Cash and Cash Equivalents and Other Bank balances of Rs 1,75,576 Lakhs as on December 31, 2021. The company submitted proposal for restructuring of the loan

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received from Government of India. After considering these conditions, the standalone financial statements of the Company have been prepared on going concern basis

Our conclusion is not modified in respect of this matter.

8. The accompanying consolidated statement does not include interim financial results and other financial information during the nine months period ended December 31, 2021, in respect of the joint venture/associate viz FACT – RCF Building Products Limited and Kerala Enviro Infrastructure Limited due to the reasons stated in Note No 4.

   According to the information and explanations given to us by the Management, these interim financial statements / information / results of the above said joint venture/associate are not material to the Group. Hence the results of operations during the nine months period ended December 31, 2021, is considered as NIL for the purpose of consolidation. Our conclusion on the statement is not modified in respect of this matter.

9. The company does not have the required number of Independent Directors on its Board due to vacancy arising out of end of term of the existing independent directors, from June 2019 onwards, and consequently, the Audit Committee, the Stakeholders Relationship Committee and Nomination and Remuneration Committee are not comprised of Independent Directors in compliance with relevant Regulations of SEBI Listing Obligation and Disclosure Requirements (LODR) Regulations, 2015. Our conclusion is not modified in respect of this matter.

For K Venkatachalam Aiyer & Co
Chartered Accountants
FRN: 004610S



P S Harikrishnan
Partner
Membership No - 207560
UDIN: 22207560AAJPOT7223

Place: Kochi
Date: 04-02-2022