जय भगवान शर्मा
कार्यपालक निदेशक
(विधी एवं कंपनी सचिव)

Jai Bhagwan Sharma
Executive Director
(Legal & Company Secretary)

राष्ट्रीय केमिकल्स एण्ड फर्टिलाइजर्स लिमिटेड
(भारत सरकार का उपक्रम)
साथ बढ़ें समृध्दि की ओर
"प्रियदर्शिनी",
ईस्टर्न एक्सप्रेस हाइवे,
सायन, मुंबई 400 022.

RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED
(A Government of India Undertaking)
Let us grow together
"Priyadarshini",
Eastern Express Highway,
Sion, Mumbai - 400 022.

CIN - L24110MH1978GOI020185

दूरध्वनी / **Tel.**: (Off.): (022) 2404 5024 ● **ई-मेल / Email :** jbsharma@rcfltd.com ● **वेबसाईट / Website :** www.rcfltd.com

RCF/CS/Stock Exchanges /2025 **September 24,2025**

The Corporate Relations Department **BSE Limited** Department of Corporate Services Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001.	The Listing Department **National Stock Exchange of India Limited** Exchange Plaza, 5th Floor, Plot No.C/1, G Block, Bandra Kurla Complex, Bandra(East), Mumbai- 400 051.
Script Code: 524230 / 975890/ 976867	**Script Code: RCF EQ** **ISIN: INE027A08028/ INE027A08036**

Dear Sir/ Madam,

Sub: Submission of Annual Report for the year 2024-25

The Forty-Seventh Annual General Meeting (AGM) of the Company is scheduled to be held through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") on **Friday, October 17, 2025 at 3.00 p.m.**

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements), 2015, we submit herewith the Annual Report for the year 2024-25 along with AGM Notice and BRSR sent to the shareholders.

Yours faithfully,
For Rashtriya Chemicals and Fertilizers Limited

JAI BHAGWAN SHARMA
Digitally signed by JAI BHAGWAN SHARMA
Date: 2025.09.24 16:22:45 +05'30'

J.B. Sharma
Executive Director
Legal and Company Secretary

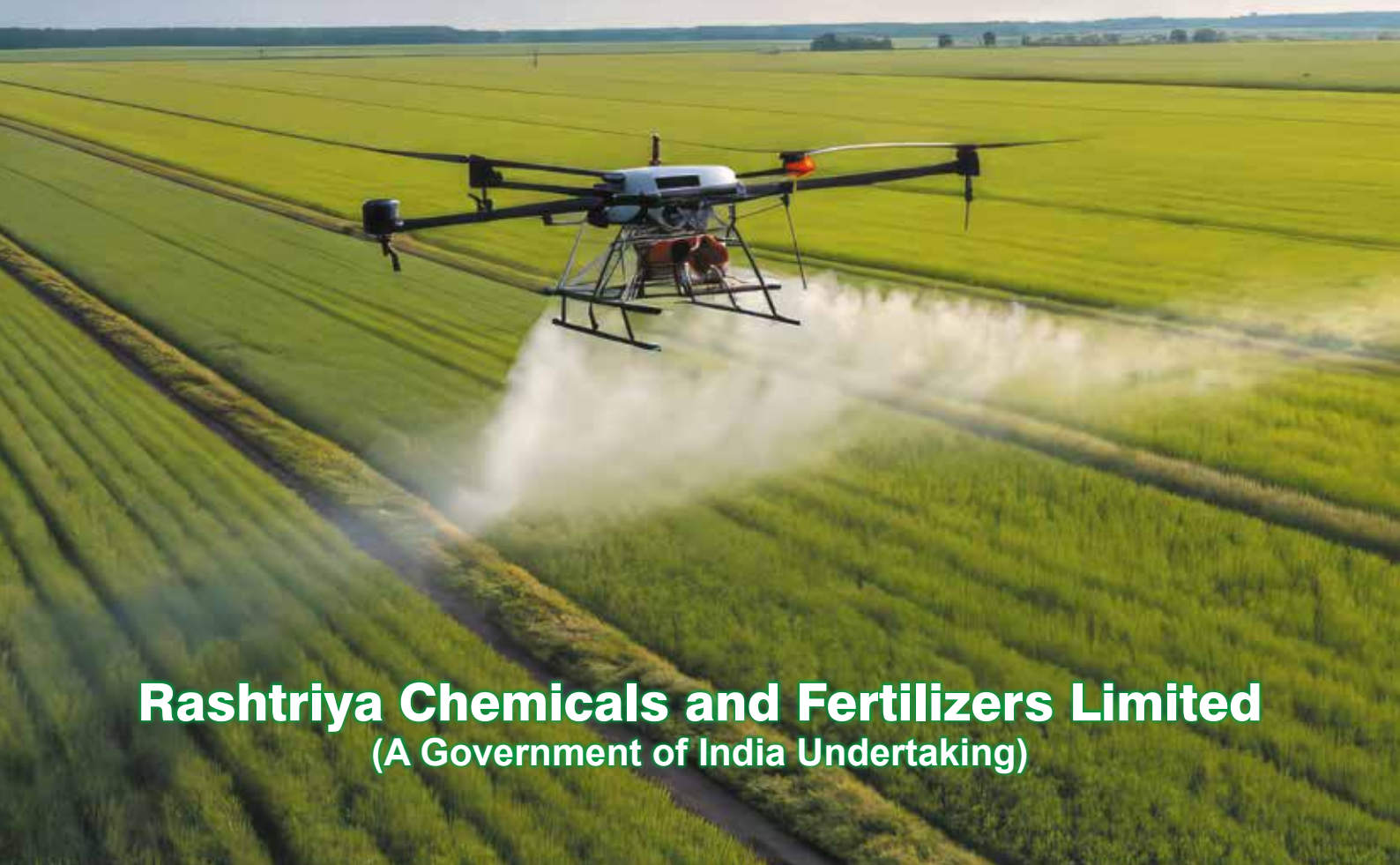
Encl: a./a.

47th Annual Report 2024-25

आर सी एफ

साथ बढ़ें समृद्धि की ओर

नवरत्न कंपनी



Rashtriya Chemicals and Fertilizers Limited

(A Government of India Undertaking)

Inauguration of Technology Demonstration Plant (TDP) in Presence of Secretary, Department of Atomic Energy & Chairman, Atomic Energy Commission, Director, Bhabha Atomic Research Centre, Chairman & Managing Director RCF, Chairman and Managing Director Heavy Water Board & Director (Technical) RCF.

Inauguration of Nano Urea in Presence of Chairman & Managing Director, RCF, Director (Finance), RCF, Director (Technical), RCF & Senior Officials of RCF.

BOARD OF DIRECTORS

WHOLE TIME DIRECTORS

Shri S. C. Mudgerikar
Chairman & Managing Director

Ms Nazhat J. Shaikh
Director (Finance)

Ms Ritu Goswami
Director (Technical)

Shri Niranjan S. Sonak
Director (Marketing)
(From 28.01.2025)

GOVERNMENT NOMINEE DIRECTORS

Ms Aneeta C. Meshram, IAS
Additional Secretary
Dept. of Fertilizers,
New Delhi

Ms Aparna S. Sharma, CSS
Additional Secretary
Dept. of Fertilizers,
New Delhi (From 18.02.2025)

Dr. Ajay Shanker Singh, ICAS
Chief Controller of Accounts
(Additional Charge),
Dept. of Fertilizers, New Delhi
(upto 17.02.2025)

INDEPENDENT DIRECTORS

Shri Gopinathan Nair Anilkumar
(From 09.05.2025)

Prof Anjula Murmu
(From 09.05.2025)

Shri Partha Sarathi Ghosh
(From 09.05.2025)

Ms Sipra Bajpai
(From 11.09.2025)

COMPANY SECRETARY

Shri J. B. Sharma

CHAIRMAN'S MESSAGE

Dear Shareholders,

It gives me immense pleasure to present the 47th Annual Report on the performance of your Company for the year 2024-25. The financial year 2024-25 unfolded against a backdrop of global economic uncertainty, fluctuating commodity prices, and evolving policy frameworks, which posed both challenges and opportunities for the fertilizer industry. Despite these headwinds, your Company remained resilient, adapting to the changing environment while continuing to fulfill its mandate of supporting the nation's agricultural sector. Your Company delivered a robust performance while remaining steadfast in its commitment to creating long-term value for all stakeholders. By ensuring the uninterrupted supply of quality fertilizers, your Company has played a pivotal role in strengthening the nation's agricultural backbone, supporting food security, and empowering millions of farmers across the country.

Amid rising challenges of sustainability and resource efficiency, your Company has remained committed to adopting innovative practices, enhancing operational excellence, and promoting balanced and judicious use of fertilizers. With a steadfast focus on rural development and farmer welfare, your Company continues to align its efforts with the national agenda of sustainable agriculture and inclusive growth.

Overview of the Economy

The financial year 2024-25 was marked by significant economic headwinds and opportunities at both global and domestic levels. Globally, fluctuations in crude oil and natural gas prices, currency movements, and supply chain disruptions continued to exert pressure on input costs for the fertilizer industry. Rising energy prices and volatility in raw material availability particularly ammonia, phosphoric acid, and potash posed considerable challenges to the sector.

On the domestic front, India's economy remained resilient with strong agricultural demand supported by government initiatives to ensure food security. The fertilizer industry, however, had to contend with subsidy rationalization, delays in subsidy disbursements, and growing expectations around sustainability and balanced nutrient usage. Additionally, the push towards self-reliance in fertilizer production and the promotion of alternative nutrients such as nano-urea, bio-fertilizers, and fortified products reshaped the operating landscape.

Despite these challenges, the sector continued to play a pivotal role in supporting farmers and strengthening the agricultural backbone of the country. Your Company, with its integrated operations, robust distribution network, and unwavering commitment to serving the farming community, navigated this evolving environment with resilience and determination.

India, the world's fourth largest economy, has emerged as the fastest-growing major economy and is on track to become the world's third largest economy with a projected GDP of $7.3 trillion by 2030. India's Gross Domestic Product (GDP) gained strength as it picked up pace sequentially to a four-quarter high of 7.4% in January-March on the back of firm industrial growth in manufacturing, construction and mining sectors even as consumption demand slowed down. The full-year growth rate, however, is estimated to have slowed to a four-year low of 6.5% for financial year 2024-25, according to National Statistical Office (NSO). Driven by robust domestic demand, a dynamic demographic profile and sustained economic reforms, India is asserting its rising influence in global trade, investment, and innovation.

Overview of the Fertilizer Industry

Overall fertilizers production has increased by 2.62% during financial year 2024-25 as against financial year 2023-24 due to increase in production of NPK & SSP. Production of urea has decreased by 2.44 % during the financial year 2024-25 as against 2023-24. Production of DAP has decreased by 12.19% during the financial year 2024-25 as against 2023-24. NPK production increased by 18.68% during financial year 2024-25 as against 2023-24. SSP production has increased by 18.27% during the financial year 2024-25 as against 2023-24.

Imports have decreased by 9.42 % due to the decrease in Urea & DAP. India's fertiliser import dynamics experienced notable shifts, marked by a discernible decline of 19.81% in Urea & 17.93% in DAP imports compared to the preceding year. Conversely, MOP surged with an impressive growth rate of 23.42%. This trend seamlessly aligns with the

government's vision under the Atma Nirbhar Bharat initiative, emphasizing reduced dependence on imports and the promotion of indigenous alternatives.

Sales have increased by 8.69 % due to the increase in Urea, MOP, NPK & SSP. India experienced a notable growth in sales across key fertilizers, with Urea, MOP, NPK & SSP boasting impressive increases of 8.37%, 33.89%, 28.37% and 8.46%, respectively, compared to the previous year. Sales of DAP has decreased by 14.15% as compared to previous year.

On the policy front, the Government of India allocated ₹1,67,887 crore towards fertilizer subsidy in Budget 2025-26, including ₹11,600 crore under the Oil Industry Development Fund. Subsidy provisions for Urea ₹1,18,860 crore and P&K fertilizers ₹49,000 crore were marginally lower compared to the revised estimates of FY 2024-25, reflecting expectations of easing global commodity prices. A dedicated allocation of ₹150 crore was earmarked for promoting organic fertilizers to improve soil health.

Further, under the revised Nutrient-Based Subsidy (NBS) scheme for Kharif 2025-26, the subsidy for phosphorus was raised significantly to ₹43,600/MT (from ₹30,800/ MT), alongside higher support for sulphur, expected to improve margins in DAP and NPK grades.

On the energy side, pooled gas prices remained stable, and since gas costs are largely a pass-through for urea manufacturers, profitability in urea operations is expected to remain steady.

Corporate Overview of the Company

During the year, your Company achieved Revenue from Operations of Rs. 16933.64 crore as against ₹ 16981.31 crore in previous year (PY). Profit Before Tax (PBT) during the year, stood at ₹ 327.50 crore as against ₹ 303.63 Crore in the PY. This improvement was primarily due to better margins of Industrial products and Complex Fertilizers. Further during year profitability was adversely impacted due to losses incurred on DAP imports, which were undertaken as per the directives of the Department of Fertilizers (DoF) and sold at a capped MRP. Despite additional compensation of ₹3,500 PMT and policy announcements aimed at mitigating adverse import price variations, margins remained under pressure. Further, under-recoveries continue to persist, aggravating the overall impact.

Your Company has been designated as State Trading Enterprise (STE) for Import of Urea on Government Account. Based on the instructions of Department of Fertilizers (DoF), your Company imported approx. 11.54 lakh MT of Urea through issue of Global Tenders during the year 2024-25.

In the face of intense market competition & falling international prices, Industrial Products Division has achieved the net sales turnover of ₹1654.77 Crore from its Industrial Chemicals segment.

During the year, your Company has achieved the following milestones:

- ☑ Total fertilizer sales increased 2% compared to the previous year.
- ☑ Highest-ever sales of Suphala 15:15:15, reaching 6.39 Lakh Metric Tonnes (LMT), marking a 14% increase over the previous year's volume of 5.60 LMT.
- ☑ Highest-ever sales of imported DAP and TSP, totalling 5.89 LMT (comprising 5.64 LMT of DAP and 0.25 LMT of TSP), reflecting a 14% growth over previous year.
- ☑ Highest-ever Import products sale of 9.20 LMT and an increase of 8% over previous year.
- ☑ Achieved the highest-ever sale of Microla, reaching 455 KL, surpassing the previous record of 410 KL in 2021–22 and registering a 43% increase over the previous year.
- ☑ Sujala (F+D) sales increased by an impressive 91%, rising from 3,136 MT in the previous year to 5,994 MT in 2024–25.
- ☑ VAP products sale increased by 163 % from 4010.80 MT during 2023-24 to 10,572 MT during 2024-25.
- ☑ Highest-ever PDM sale of 20,870 MT and increased by 68% (8470 MT) over previous year.
- ☑ PROM sale increased by 52 %, from 2618 MT (Tie up + Ind) in 2023-24 to 3,950 MT during 2024-25.
- ☑ Ever highest FOM sale of 5369 MT.
- ☑ Highest ever sale of AN melt of 2,11,781 MT.
- ☑ Highest ever sale of Di-methyl Amine of 23,041 MT.
- ☑ Highest ever sale of Sulphuric Acid of 42,809 MT.
- ☑ Highest ever sale of Refrigerant Ammonia of 1,105 MT.

Dividend

Considering the consistent profits being made by the Company and based on the Company's performance, your Directors are pleased to recommend a final Dividend of ₹ 1.32 per equity share of ₹10/- each for the financial year 2024-25, which would involve a total cash outflow of ₹ 72.82 Crore (₹ 68.41 Crore in the previous year). The final dividend pay-out is subject to the approval of members at the ensuing Annual General Meeting.

Atmanirbhar Bharat

Under 'Atmanirbhar Bharat Abhiyan', following initiatives are taken by your Company:

- **Production from New AN Melt Plant:**

  During the year, your Company has successfully commissioned New AN Melt Plant of 425 MT per day capacity at RCF Trombay unit with latest energy efficient technology. The additional production from this AN Melt project shall be substituting the existing

imports, leading to improved availability of Coal to the power plants and therefore,in turn shall help in ensuring power security for the country.

- **Setting up Liquid Nano Urea plant:**

  During the year, your Company has successfully commissioned new liquid Nano Urea Plant of 75 KL per day capacity at Trombay Unit.

- **Sulphur Coated Urea (Urea Gold)**

  During the year, the unit produced 0.26 lakh MT of Sulphur Coated Urea compared to 0.04 lakh MT produced during the previous year. Your Company has developed the technology for producing Urea Gold indigenously and this will help to produce affordable Sulphur carrying fertilizers so as to reduce import dependency.

- **Briquette Fired Boiler in Chemical Group of Plants (CGP) at RCF Thal**

  Your Company is setting up a Briquette-Fired Boiler at RCF Thal with an estimated capital cost of ₹26.75 crore (plus taxes). The project will enable low-cost steam generation, thereby reducing variable costs of chemicals. Briquettes, made from agricultural and forest waste, serve as an efficient substitute for fossil fuels and will help lower Greenhouse Gas (GHG) emissions.

- **PROM : Phosphate Rich Organic Manure**

  During the year, PROM a quantity of 3950 MTs was sold to the farming community which is an important alternative to nutrients for organic and conventional farming.

- **Setting up new NPK Fertilizer plant at Thal:**

  In order to increase domestic supply of DAP/NPK fertilizers, your Company has commenced setting up NPK Fertilizer plant of 1200 MTPD (in terms of DAP) at Thal. Project is expected to be completed by January 2027.

- **Optimizing production of Industrial Chemicals:**

  Your Company is manufacturing various Industrial Chemical products having high brand values. Plants manufacturing industrial chemical products like Ammonium Nitrate, Ammonium Bicarbonate, Nitric Acid, Concentrated Nitric acid and Sulphuric acid are operated at optimum level to meet the market demand.

Projects

I am happy to announce that your Company is planning to undertake major projects in the direction of:

- Improving efficiency in use of energy in production operations; and
- Making efforts for increasing availability of raw materials / finished fertilizers on consistent basis.

The details of such projects are available in the Directors' Report. Your Company is also looking for opportunities for long term off take agreements for procurement of fertilizers to ensure sustained growth. I am confident that with your continuous support, encouragement and faith in us and support from the Government, your Company would march ahead successfully.

I am delighted to present the Annual Report for the financial year 2024-25 and hope to see you on October 17, 2025 at the 47th Annual General Meeting of the Company.

Acknowledgement

Before I conclude, I would like to place on record my sincere appreciation for all my colleagues on the Board, past and present, for their valuable contribution in the growth of the Company. Our employees are the backbone of our operations and it is only because of their support and commitment that your company could achieve good results. I am thankful to all the stakeholders of RCF, our valued customers and service providers for their relentless faith in the company. Finally, on behalf of the Board, I would like to thank each one of you, our valued shareholders, employees of the Company, Trade Unions, Officers Association and the RCFian family, for your unwavering support in our journey to deliver value to all our stakeholders.

Thank you, ladies and gentlemen.

Sd/-
(S. C. Mudgerikar)
Chairman & Managing Director

Mumbai
Dated: September 24, 2025

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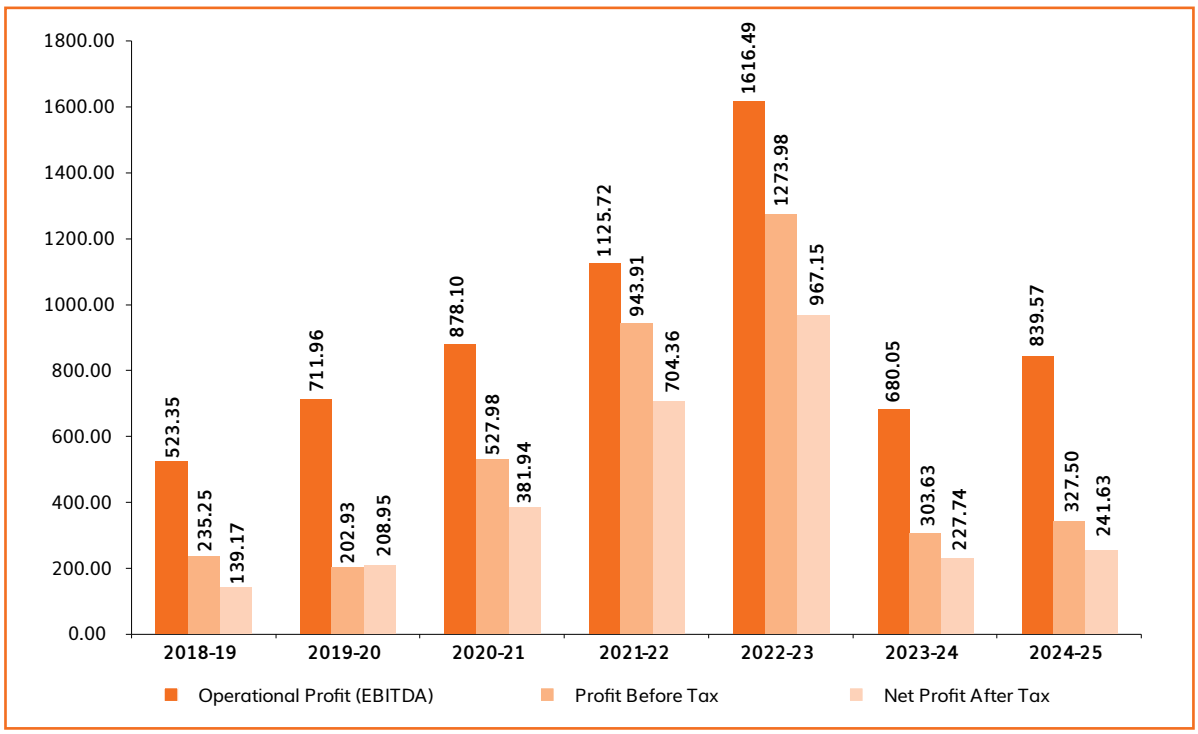
FINANCIAL HIGHLIGHTS AT A GLANCE

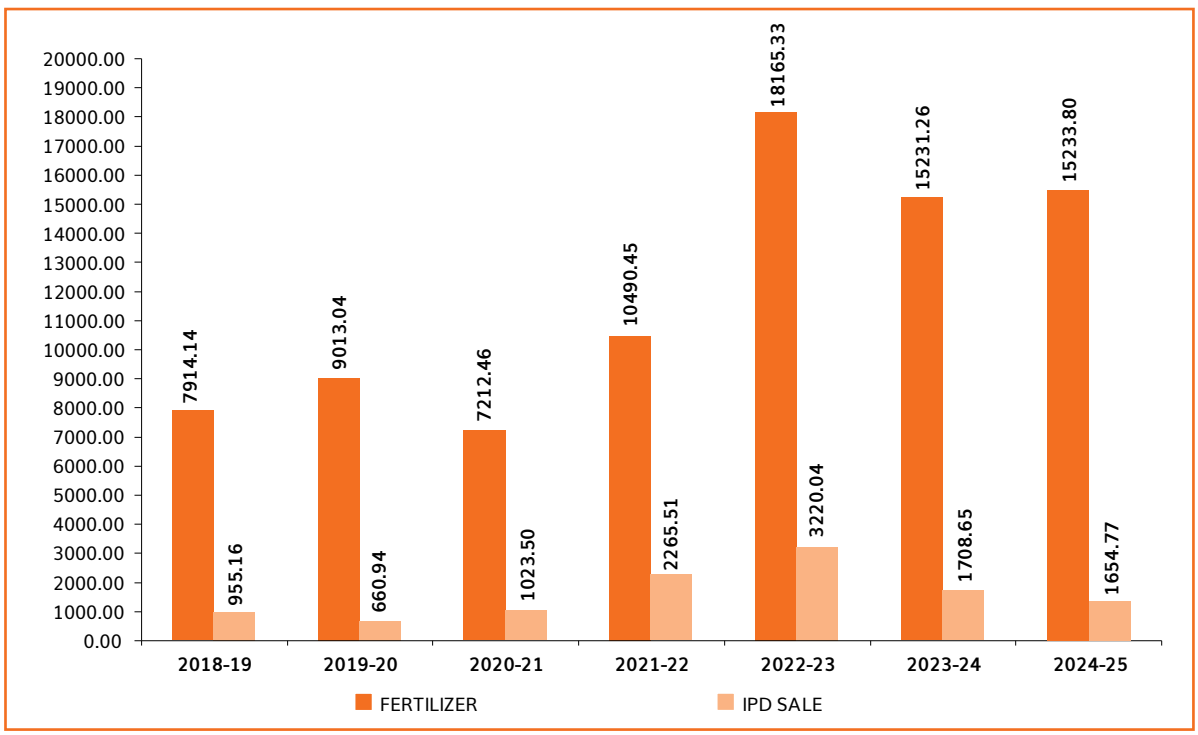
₹ in crore

S. NO.	PARTICULARS	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
		As per IND AS									As per revised Schedule VI					
1	GrossTurnover (Gross Sales+ Subsidy + Other Income)	17549.10	17598.80	21869.93	13181.19	8664.63	10017.39	9119.54	7523.42	7456.21	9019.82	8063.22	6889.28	7131.65	6698.94	5671.60
2	Revenue From Operations (Net)	16933.64	16981.31	21451.54	12812.17	8281.18	9697.95	8885.47	7318.63	7223.17	8649.43	7713.45	6587.60	6894.49	6433.71	5507.11
3	Profit before Interest, Depreciation and Tax (EBITDA)	839.57	680.05	1616.49	1125.72	878.10	711.96	523.35	327.97	483.81	579.63	892.86	639.98	641.88	567.82	533.19
4	Depreciation	262.76	233.10	212.12	183.55	175.26	171.04	155.69	137.04	141.10	145.13	258.12	141.75	173.15	142.44	112.62
5	Finance Cost	253.68	183.64	223.86	125.89	179.57	237.82	155.85	62.59	93.98	142.32	116.95	131.29	88.25	49.33	66.10
6	Prior year Adj. - Expenses / (Income)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.08	8.16	(0.38)	0.36	1.59	(0.22)
7	Exceptinal Items	(4.37)	(40.32)	(93.47)	(127.63)	(4.71)	100.17	(23.44)	0.12	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8	Profit / (Loss) Before Tax	327.50	303.63	1273.98	943.91	527.98	202.93	235.25	128.22	248.73	291.10	509.63	367.32	380.12	374.46	354.69
9	Tax Provision (Net of Adj.)	85.87	75.89	306.83	239.55	146.04	(5.22)	96.08	49.42	69.47	99.87	187.57	117.43	99.22	125.22	109.57
10	Profit / (Loss) After Tax	241.63	227.74	967.15	704.36	381.94	208.15	139.17	78.80	179.26	191.23	322.06	249.89	280.90	249.24	245.12
11	Dividend Declared									54.78						
	Rate %	13.20	12.40	53.00	38.50	29.80	28.40	7.70	6.00	11.00	11.00	18.00	15.00	15.00	14.00	11.00
	Amount :	72.82	68.41	292.40	212.40	164.40	156.68	51.21	39.91	73.04	73.04	119.52	96.79	96.81	89.77	70.53
	Dividend Payout Ratio %	30.14	30.04	30.23	30.16	43.04	75.27	36.80	50.64	40.75	38.19	37.11	38.73	34.46	36.02	28.77
12	Working Capital	1231.53	1736.52	2066.08	1707.82	1651.92	1416.72	1605.84	1544.05	1607.38	1465.03	1695.06	1378.73	1199.67	1116.04	1036.33
13	Capital Employed	4588.11	4712.89	4918.42	4039.29	4030.50	3770.97	3853.36	3490.07	3165.12	2961.59	3196.10	2998.40	2616.38	2513.19	1831.12
14	Net Worth	4755.17	4616.40	4598.32	3889.23	3356.70	3186.27	3034.70	2929.69	2925.02	2829.12	2710.93	2508.39	2355.29	2171.20	2011.73
15	**RATIOS**															
	Current Ratio [CA : 1]	1.42	1.45	1.62	1.41	1.79	1.24	1.34	1.64	1.56	1.35	1.62	1.58	1.42	1.40	1.85
	Debt Equity Ratio [Debts : 1]	0.33	0.30	0.25	0.35	0.37	0.23	0.19	0.14	0.08	0.14	0.16	0.16	0.11	0.15	0.11
	Debt Service Coverage Ratio (Times)	0.96	1.07	5.03	3.07	2.29	1.86	1.70	2.36	2.38	1.51	4.78	3.15	4.55	5.29	4.26
	Interest Service Coverage Ratio (Times)	3.31	3.70	7.22	8.94	4.89	2.99	3.36	5.24	5.15	4.07	7.63	4.87	7.27	11.51	8.07
	EBITDA to capital employed %	18.30	14.43	32.87	27.87	21.79	18.88	13.58	9.40	15.29	19.57	27.94	21.34	24.53	22.59	29.12
	PBT to Capital Employed %	7.14	6.44	25.90	23.37	13.10	5.38	6.11	3.67	7.86	9.83	15.95	12.25	14.53	14.90	19.37
	PAT to Capital Employed %	5.27	4.83	19.66	17.44	9.48	5.52	3.61	2.26	5.66	6.46	10.08	8.33	10.74	9.92	13.39
	PBT to Net Worth %	6.89	6.58	27.71	24.27	15.73	6.37	7.75	4.38	8.50	10.29	18.80	14.64	16.14	17.25	17.63
	PAT to Net Worth %	5.08	4.93	21.03	18.11	11.38	6.53	4.59	2.69	6.13	6.76	11.88	9.96	11.93	11.48	12.18
	PAT to Equity %	43.80	41.28	175.31	127.67	69.23	37.73	25.23	14.28	32.49	34.66	58.38	45.30	50.92	45.18	44.43
	Earning per share After Tax (₹)	4.38	4.13	17.53	12.77	6.92	3.77	2.52	1.43	3.25	3.47	5.84	4.53	5.09	4.52	4.44
	EBITDA to Turnover %	4.78	3.86	7.39	8.54	10.13	7.11	5.74	4.36	6.49	6.43	11.07	9.29	9.00	8.48	9.40

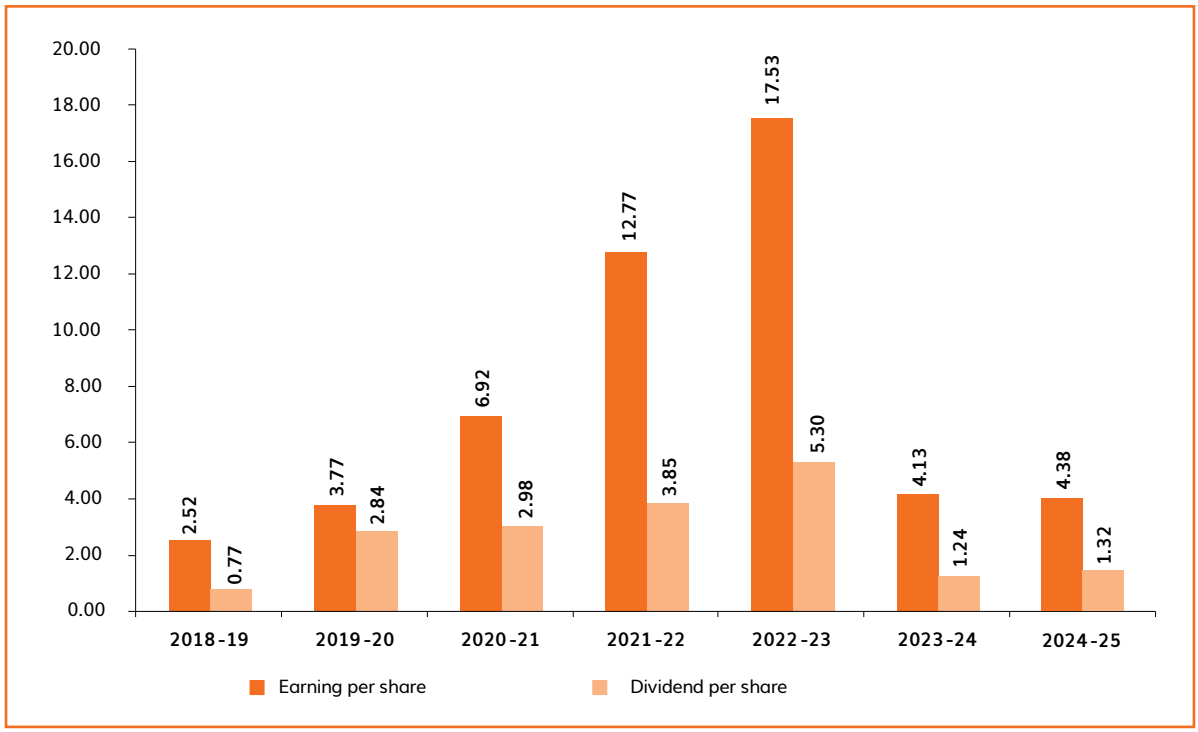
OPERATIONAL PROFIT (EBITDA), PBT AND PAT (₹ Crore)



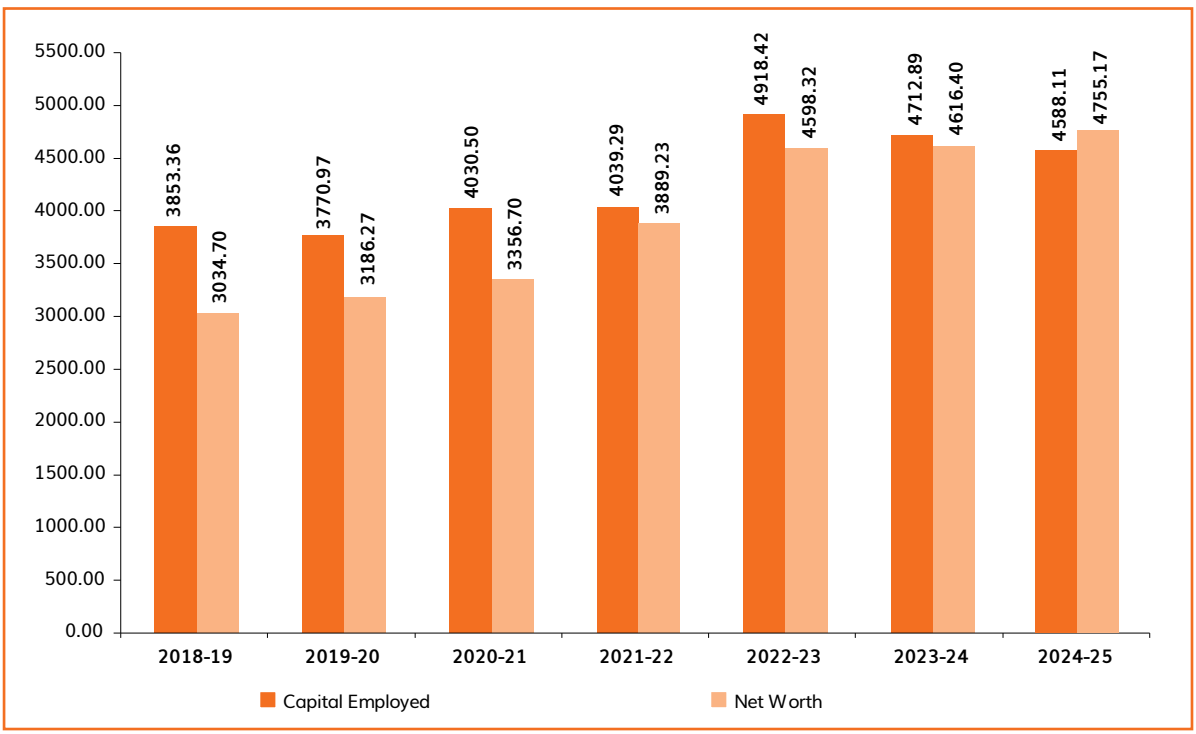
FERTILIZER AND IPD SALES (₹ Crore)



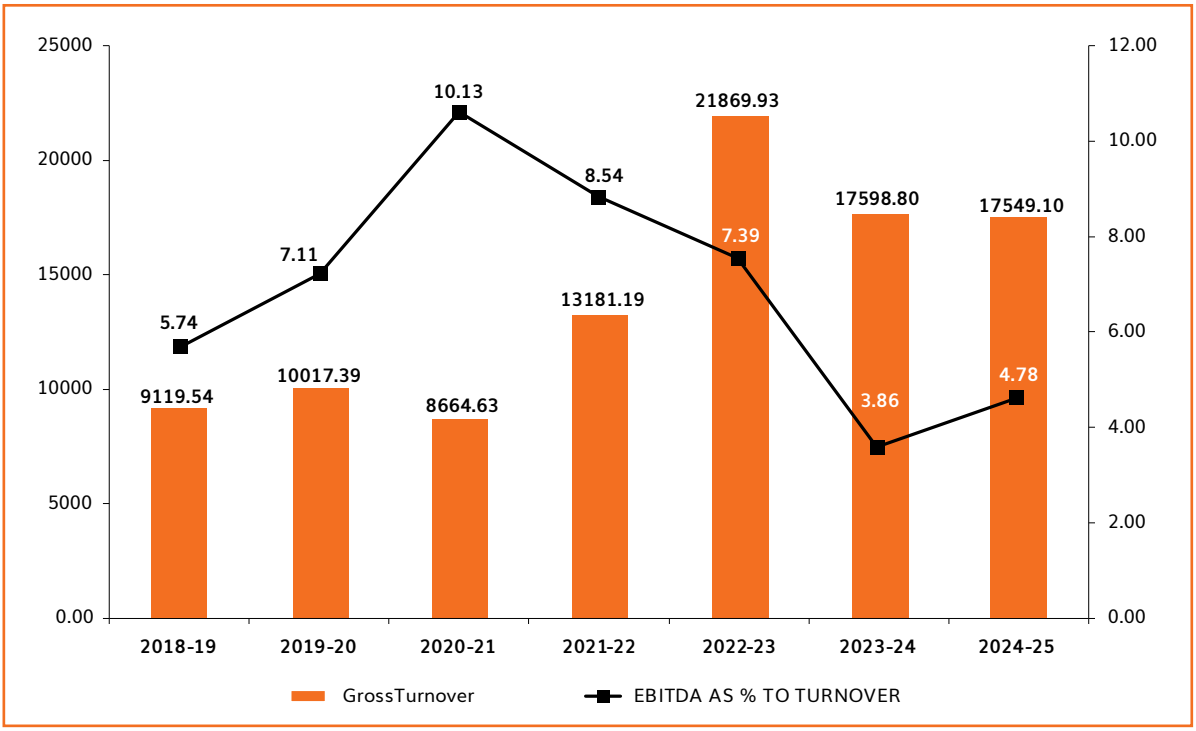
EARNINGS & DIVIDEND PER SHARE (₹)



CAPITAL EMPLOYED & NET WORTH (₹ Crore)



EBITDA AS % TO TURNOVER (₹ Crore)



MISSION STATEMENT

"Exponential growth through business excellence with focus on maximising stakeholder value by manufacturing and selling fertilizers and chemicals in a reliable, ethical and socially responsible manner".

VISION STATEMENT

"To be a world class corporate in the field of fertilizers and chemicals with dominant position in Indian market, ensuring optimal utilisation of resources, taking due care of environment and maximising value of stake holders".

VALUE STATEMENT

"RCF shall deal in all aspects of Business with integrity, honesty, transparency and with utmost respect to the stakeholders, by honouring our commitments, providing results and striving for highest quality."

Senior Management Team as on 01.08.2025

Sr. No.	Name	Designation
1	**Dr. Rahul S. Jagtap**	Chief Vigilance Officer
2	**Jai Bhagwan Sharma**	Executive Director (Admin, Legal, Medical & Company Secretary)
3	**Sunetra Kamble**	Executive Director (Marketing / Commercial)
4	**Rajiv Pande**	Executive Director (HSE Corporate)
5	**Gopalan Seshadri**	Executive Director (Projects, Co-ordination, Corporate & IT)
6	**Sharad S. Sonawane**	Executive Director (HR)
7	**S. Shivakumar**	Executive Director (Finance)
8	**Vikram K. Jawale**	Executive Director (Trombay)
9	**Jyoti V. Patil**	General Manager (Project),Thal
10	**Nitin B. Hirde**	Executive Director (Thal)
11	**M. Ramesh**	Executive Director (Purchase / Contract Cell) I/c.
12	**Nanda N. Kulkarni**	Chief General Manager (HRD)
13	**Vivek K. Srivastava**	Chief General Manager (Talcher)
14	**Mahendra K. Agrawal**	Chief General Manager (Finance) Trombay & Thal
15	**Sanjeev N. Haralikar**	General Manager (HR, Admn, ETP), Thal
16	**Sudhir G. Koli**	General Manager (Technical), Thal
17	**Abhay J. Kalbande**	General Manager (N, SGP),Thal
18	**V. Magesh**	General Manager (Projects), Thal
19	**Sanjay Jain**	General Manager (Nitrogens Maintenance), Trombay
20	**Sanjay S. Petkar**	General Manager (IT & CC, CSR)
21	**Prakash M. Mahajan**	General Manager (Complex / R & D), Trombay
22	**Devendra D. Dafe**	General Manager (HSE/SGP/GTG/EES), Trombay
23	**Yogesh V. Gokhale**	General Manager (Contract Cell), Trombay
24	**Anupam Y. Sonawane**	General Manager (Purchase, Contract Cell & MS/IT), Thal
25	**Abraham T. Babu**	General Manager (Maintenance), Thal
26	**Mrudula A. Godbole**	General Manager (Finance)
27	**Girish D. Temgire**	General Manager (Corp. Cord & Tr. Projects)
28	**Anil R. Deo**	General Manager (Acids), Trombay

Bankers	State Bank of India Commercial Branch Fort, Mumbai.
Statutory Auditors	M/s. K Gopal Rao & Co., M/s. Parakh & Co.
Cost Auditors	M/s. Dhananjay V. Doshi & Associates
Solicitor	M/s. M. S. Bodhanwall & Co., Mumbai
Internal Auditors	M/s. Keshri & Associates, Chartered Accountants M/s. AMAA & Associates., Chartered Accountants
Website address	www.rcfltd.com
Telephone	022 24045024 / 022 25523114
Registered Office	"Priyadarshini", Eastern Express Highway, Sion, Mumbai 400 022.
Share Transfer Agent	M/s. MUFG Intime India Private Limited (Formerly Link Intime India Private Limited) C-101, 247 Park, L.B.S.Marg, Vikhroli(West), Mumbai 400 083 Tel. No.: +91 810 811 6767 Email id: rnt.helpdesk@in.mpms.mufg.com Website: https://in.mpms.mufg.com/

RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED

(A Government of India Undertaking)
CIN: L24110MH1978GOI020185
Regd. Office: "Priyadarshini", Eastern Express Highway, Sion, Mumbai - 400 022.
Phone: 022-24045024 Email Id: investorcommunications@rcfltd.com
Website: www.rcfltd.com

NOTICE

47th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 47th Annual General Meeting of the Members of Rashtriya Chemicals and Fertilizers Limited will be held on Friday, October 17, 2025 at 3.00 p.m. through electronic mode [Video Conferencing ("VC") or Other Audio Visual Means ("OAVM")] to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended March 31, 2025, including Profit & Loss Statement for the year ended March 31, 2025 and Balance Sheet as at that date together with the Reports of Directors and Independent Statutory Auditors and comments thereon of the Comptroller and Auditor General of India.

2. To declare final dividend of ₹ 1.32 per equity share for the financial year ended March 31, 2025.

3. To appoint a Director in place of Ms Nazhat J. Shaikh [DIN:07348075], who retires by rotation and being eligible, offers herself for reappointment.

4. To appoint a Director in place of Ms Ritu Goswami [DIN: 10463372] who retires by rotation and being eligible, offers herself for reappointment.

5. To fix the remuneration of Statutory Auditors for the Financial Year 2025-26 and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to Section 142 and other applicable provisions, if any, of the Companies Act, 2013, approval of the Members be and is hereby accorded to the Board of Directors to fix the remuneration, as may be reasonable and expedient, of the Statutory Auditors appointed by the Comptroller and Auditor General of India for conducting the Audit of the accounts of the Company for the financial year 2025-26."

SPECIAL BUSINESS:

6. **To ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2026**

   To consider and if thought fit, to pass with or without modification(s), the following resolutions as an **Ordinary Resolutions:**

   "RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration payable to M/s K.G Goyal & Associates, Cost Accountants (FRN No.000024), appointed by the Board of Directors as Cost Auditors to conduct the audit of the Cost records of the Company for the financial year ending March 31, 2026, amounting to Rs 2,80,000/- excluding applicable taxes be and is hereby ratified and confirmed.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. **To approve offer or invitation to subscribe to Secured or Unsecured Non-Convertible Debentures on private placement.**

   To consider and if thought fit, to pass with or without modification(s), the following resolutions as a **Special Resolutions:**

   "**RESOLVED THAT** pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to the provisions of the Articles of Association of the Company, the approval of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which terms shall be deemed to include any Committee which the Board may constitute to exercise its powers, including the powers conferred by this resolution) to offer or invite subscriptions for secured or unsecured non-convertible debentures (NCDs), in one or more series/tranches, aggregating upto to ₹ 1,100 Crore (Rupees One Thousand One Hundred Crore Only), on private placement, from such persons and on such terms and conditions as the Board of Directors of the Company may, from time to time, determine and consider proper and most beneficial to the Company including, without limitation, as to when the said Debentures are to be issued, the consideration for the issue, mode of

payment, coupon rate, redemption period, utilization of the issue proceeds and all matters connected therewith or incidental thereto.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

8. To re-appoint Shri S. C. Mudgerikar [DIN 03498837] , as Chairman & Managing Director of the Company.

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

"**RESOLVED THAT** pursuant to the provisions of Sections 152, 196, 197, and 203 and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Regulation 17(1C) and other applicable Regulation(s) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and on the basis of the recommendation of Nomination & Remuneration Committee, Shri S. C. Mudgerikar (DIN: 03498837), who was re-appointed by the Board of Directors as Chairman & Managing Director of the Company w.e.f. October 1, 2024 and who holds office upto the date of this Annual General Meeting in terms of Section 161(1) of Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Companies Act, 2013 proposing his candidature for the office of the Director, be and is hereby re-appointed as Chairman & Managing Director, of the Company w.e.f October 1, 2024 till the date of his superannuation i.e. December 31, 2025, or until further orders, whichever is earlier, in terms of letter no. 78/1/2023-HR PSU(e-35772) dated September 17, 2024, issued from Ministry of Chemicals & Fertilizers, who shall not be liable to retire by rotation."

9. To appoint Shri Niranjan S. Sonak [DIN: 10926090], as Director (Marketing) of the Company

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

"**RESOLVED THAT** pursuant to the provisions of Sections 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) , Regulation 17(1C) and other applicable Regulation(s) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR, 2015) and Articles of Association of the Company and provisions of any other guidelines issued by relevant authorities, Shri Niranjan S. Sonak [DIN: 10926090], who was appointed by the Board of Directors as an Additional Director of the Company with effect from January 28, 2025 and who holds office upto the date of this Annual General Meeting in terms of Section 161(1) of Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Companies Act, 2013 proposing his candidature for the office of the Director, be and is hereby appointed as a Director(Marketing), of the Company w.e.f January 28, 2025 till the date of his superannuation i.e. July 31, 2027, or until further orders, whichever is earlier, in terms of letter no.78/01/2017-HR-I (Part) (e-36220) dated January 27, 2025, issued from Ministry of Chemicals & Fertilizers, who shall be liable to retire by rotation."

10. To appoint Ms Aparna S. Sharma [DIN: 07798544], as Government Nominee Director of the Company

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

"**RESOLVED THAT** pursuant to the provisions of Sections 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Regulation 17(1C) and other applicable Regulation(s) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR, 2015) and Articles of Association of the Company and provisions of any other guidelines issued by relevant authorities, Ms Aparna S. Sharma (DIN: 07798544), who was appointed by the Board of Directors as an Additional Director of the Company with effect from February 18, 2025 and who holds office upto the date of this Annual General Meeting in terms of Section 161(1) of Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Companies Act, 2013 proposing her candidature for the office of the Director, be and is hereby appointed as Government Nominee Director of the Company w.e.f February 18, 2025 until further orders, in terms of letter no. no.95/1/2019-HR-PSU (part-2)(e-31042) dated February 18, 2025, issued from Ministry of Chemicals & Fertilizers, who shall be liable to retire by rotation."

11. To appoint Shri Gopinathan Nair Anilkumar [DIN: 09447818], as an Independent Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 as amended from time to time and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulations 17(1C) & 25(2A) and other applicable Regulation(s) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR, 2015), the Articles of Association of the Company and provisions of any other guidelines issued by relevant authorities, Shri Gopinathan Nair Anilkumar [DIN: 09447818], who was appointed by the Board of Directors as an Additional Director of the Company with effect from May 9, 2025 and who holds office up to the date of this annual general meeting in terms of Section 161(1) of Companies Act, 2013, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI LODR, 2015, as amended and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Companies Act, 2013, proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director for a period of one year with effect from May 9, 2025 or until further orders, in terms of letters no. 95/01/2025-HR-PSU (e-38759) dated April 17, 2025 & May 16, 2025 issued from Ministry of Chemicals & Fertilizers, who shall not be liable to retire by rotation."

12. To appoint Prof Anjula Murmu [DIN 09565841], as an Independent Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 as amended from time to time and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and Regulations 17(1C) & 25(2A) and other applicable Regulation(s) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR, 2015), the Articles of Association of the Company and provisions of any other guidelines issued by relevant authorities, Prof. Anjula Murmu (DIN 09565841), who was appointed by the Board of Directors as an Additional Director of the Company with effect from May 9, 2025 and who holds office up to the date of this annual general meeting in terms of Section 161(1) of Companies Act, 2013, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI LODR, 2015, as amended and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Companies Act, 2013, proposing her candidature for the office of the Director, be and is hereby appointed as an Independent Director for a period of one year with effect from May 9, 2025 or until further orders, in terms of letters no. 95/01/2025-HR-PSU (e-38792) dated May 5, 2025 & May 16, 2025 issued from Ministry of Chemicals & Fertilizers, who shall not be liable to retire by rotation."

13. To appoint Shri Partha Sarathi Ghosh [DIN 09517108], as an Independent Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 as amended from time to time and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulations 17(1C) & 25(2A) and other applicable Regulation(s) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR, 2015), the Articles of Association of the Company and provisions of any other guidelines issued by relevant authorities, Shri Partha Sarathi Ghosh, (DIN 09517108), who was appointed by the Board of Directors as an Additional Director of the Company with effect from May 9, 2025 and who holds office up to the date of this annual general meeting in terms of Section 161(1) of Companies Act, 2013, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI LODR, 2015, as amended and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Companies Act, 2013, proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director for a period of one year with effect from May 9, 2025 or until further orders, in terms of letters no. 95/01/2025-HR-PSU (e-38792) dated May 5, 2025 & May 16, 2025 issued from Ministry of Chemicals & Fertilizers, who shall not be liable to retire by rotation."

14. Appointment of M/s Bhandari & Associates, Practicing Company Secretaries (Firm Registration No. P1981MH043700) as Secretarial Auditors of the Company

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

"RESOLVED THAT pursuant to provisions of Sections 204 and 179(3) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 framed thereunder, Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s), re-enactment thereof for time being in force) and circulars issued thereunder from time to time, and based on the recommendation of the Board of Directors, M/s Bhandari & Associates, Company Secretaries (Firm Registration No. P1981MH043700), be and are hereby appointed as the Secretarial Auditors for the Company, to hold office for a term of five consecutive years i.e. from financial year 2025-26 to financial year 2029-30, on such remuneration as may be mutually agreed between the Company and the Secretarial Auditors.

RESOLVED FURTHER THAT the Board or any duly constituted Committee of the Board, be and is hereby authorised to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the foregoing resolution."

15. **To appoint Ms Sipra Bajpai (DIN 11287685) as an Independent Director of the Company:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 as amended from time to time and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), the Articles of Association of the Company and provisions of any other guidelines issued by relevant authorities, Ms Sipra Bajpai (DIN 11287685) who was appointed by the Board of Directors as an Additional Director of the Company with effect from September 11, 2025 and who holds office up to the date of this annual general meeting in terms of Section 161(1) of Companies Act, 2013, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations, as amended and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Companies Act, 2013, proposing her candidature for the office of the Director, be and is hereby appointed as an Independent Director for a period of three years or until further orders, in terms of letters no. 95/01/2025-HR-PSU (e-38792) dated May 22, 2025 issued from Ministry of Chemicals & Fertilizers, who shall not be liable to retire by rotation."

By order of the Board of Directors

Sd/-
(J. B. Sharma)
Executive Director
(Legal & Company Secretary)
FCS 5030

Date: September 24, 2025
Place: Mumbai

Registered Office:
Rashtriya Chemicals and Fertilizers Limited
Priyadarshini,
Eastern Express Highway,
Sion, Mumbai 400 022

Notes

1. The Ministry of Corporate Affairs, Government of India ("MCA") vide its General Circular Nos. 20/2020, 10/2022 and 09/2023 dated May 5, 2020, December 28, 2022, September 25, 2023 and September 19, 2024, respectively, and other circulars issued in this respect ("MCA Circulars") allowed, inter-alia, conduct of AGMs through Video Conferencing/ Other Audio-Visual Means ("VC/ OAVM") facility, in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular No. 20/2020. The Securities and Exchange Board of India ("SEBI") also vide its Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January 2023, Circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 & Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 ("SEBI Circular") has provided certain relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015 ("Listing Regulations"). In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR, 2015") and MCA & SEBI Circulars, the AGM of the Company is being held through VC / OAVM on Friday, October 17, 2025 at 3.00 p.m. Since the AGM is being held through VC / OAVM, physical attendance of Members has been dispensed with. The registered office of the Company shall be deemed to be the venue for the AGM.

   The Registrar of Companies, Mumbai, vide order dated September 12, 2025, has extended the time limit for holding the Annual General Meeting of the Company for the financial year ended March 31, 2025, by a period of three months from the due date. Accordingly, the AGM is being convened within the extended timeline.

The procedure for joining the AGM through VC/ OAVM is mentioned in this Notice.

2. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. However, MCA while granting the relaxations to hold the AGM through VC/OAVM has also provided exemption from the requirement of appointing proxies. Hence for this AGM the facility for appointment of proxy by the members is not being provided. Accordingly, the proxy form, attendance slip and the route map of the venue have not been provided along with the notice. The members are requested to participate in the AGM through VC / OAVM from their respective location.

   However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

3. Members shall have the option to vote electronically ("e-voting") either before the AGM ("remote e-voting") or during the AGM.

4. Members are permitted to join the AGM through VC/OAVM, 15 minutes before the scheduled time of commencement of AGM and during the AGM, by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis. This will not include large shareholders (shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without any restrictions pertaining to joining the AGM on a first come first served basis. Institutional Investors who are Members of the Company, are encouraged to attend and vote at the AGM.

5. Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act, 2013.

6. Members attending the AGM through VC / OAVM should note that those who are entitled to vote but have not exercised their right to vote by remote e-voting, may vote during the AGM through e-voting for all businesses specified in the Notice. The Members who have exercised their right to vote by remote e-voting may attend the AGM but cannot vote during the AGM.

7. A statement setting out the material facts pursuant to Section 102(1) of the Companies Act, 2013 and rules notified thereunder ("the Act"), relating to the Special Business to be transacted at the AGM is annexed hereto.

8. Brief profile and other required information about the Directors proposed to be appointed/re-appointed, as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India as approved by the Central Government, is enclosed to this Notice.

9. Any person who becomes a Member of the Company after sending of Annual Report and holding shares as on Friday, October 10, 2025 shall also follow the procedure stated herein.

10. Register of Members and Share Transfer books will remain closed from Saturday, October 11, 2025, to Friday, October 17, 2025 [both days inclusive].

11. The Board of Directors of the Company has recommended a final dividend of ₹ 1.32 per share. The Company has fixed Friday, October 10, 2025 as the 'Record Date' for determining entitlement of members to receive final dividend for the year ended March 31, 2025, if approved, at the AGM. The final dividend, once approved by the members in the AGM, will be paid to the eligible shareholders within the stipulated period of 30 days of declaration.

12. The dividend will be paid through electronic mode to those members whose updated bank account details are available. For members whose bank account details are not updated, dividend warrants / demand drafts will be sent to their registered address. To avoid delay in receiving dividend, members are requested to register / update their bank account details.

13. Members may send their requests for change / updation of address, bank account details, email address, nominations, etc.:

    (i) For shares held in dematerialised form - to their respective Depository Participant;

    (ii) For shares held in physical form - to the Registrar & Transfer Agents ("RTA") i.e. MUFG Intime India Pvt. Ltd. (Formerly known as Link Intime India Private Limited) Unit: Rashtriya Chemicals and Fertilizers Limited , C 101, 247 Park, L. B. S. Marg, Vikhroli West, Mumbai 400 083; Tel No. +91 810 811 6767 ; E-mail Address: rnt.helpdesk@in.mpms.mufg.com.

14. As per Regulation 40 of Listing Regulations, as amended, request for effecting transfer of securities shall not be processed unless the securities are held in demat form with a depository. Further, transmission or transposition of securities shall be

affected only in dematerialised form. In view thereof and to eliminate all risks associated with physical shares, members holding shares in physical form are requested to convert their holdings to dematerialized form. Members can contact the Company or the RTA for assistance in this regard.

15. Non-Resident Indian members are requested to inform the RTA immediately about:

    (i) Change in their residential status on return to India for permanent settlement.

    (ii) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

16. SEBI has mandated the submission of PAN, KYC details and nomination by holders of physical securities by March 31, 2025, and linking PAN with Aadhaar vide its circulars dated November 3, 2021 and December 14, 2021. Members are requested to submit their PAN, KYC and nomination details to the Company's registrars M/s MUFG Intime India Private Limited at the address mentioned at point no.13(ii) above. Members holding shares in electronic form are requested to submit their PAN to their depository participant(s). In case a holder of physical securities fails to furnish these details or link their PAN with Aadhaar before the due date, the Company is obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on December 31, 2025, the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and / or the Prevention of Money Laundering Act, 2002.

17. SEBI has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities. After exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal i.e. https://smartodr.in/login.

18. As per the provisions of Section 72 of the Act, the facility for submitting nomination is available for members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The form can be downloaded from the Company's website at www.rcfltd.com Members are requested to submit these details to their DP in case the shares are held by them in electronic form, and to the RTA, in case the shares are held in physical form.

19. As per the provisions of section 124(5) of the Act the dividend(s) which remains unpaid / unclaimed for a period of 7 years is to be transferred to the Investor Education & Protection Fund ("IEPF") established by the Central Government at the end of the 7th year. Accordingly, the Company has transferred all unpaid/ unclaimed dividend declared upto the financial year 2016-17 to IEPF on the respective due dates.

    Further, section 124(6) of the Act provides that all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to the demat account of IEPF authority. The Company had sent reminder letter to all such members whose dividend had remained unpaid / unclaimed for a consecutive period of 7 years with a request to claim the dividend, failing which the shares would be transferred to the IEPF Authority on the due date. Thereafter, such shares were transferred to the demat account of the IEPF authority The details of such shares are hosted on the website of the Company www.rcfltd.com.

    It may please be noted that, upon completion of 7 years, the Company would transfer the unpaid / unclaimed dividend for the financial year 2017-18 on or before November 29, 2025. Further, the shares in respect of which dividend has remained unpaid / unclaimed for a consecutive period of 7 years would also be transferred to the demat account of IEPF authority on or before November 29, 2025. The details of such unpaid / unclaimed dividend(s) as well as shares liable to be transferred to the IEPF are hosted on the website of the Company www.rcfltd.com.

    Section 125 of the Act provides that a member whose dividend / shares have been transferred to the IEPF shall be entitled to claim refund therefrom. The procedure for claiming the unpaid dividend and shares transferred to the IEPF Authority is provided on the following link: http://www.iepf.gov.in/IEPF/refund.html.

    To avoid transfer of unpaid dividends / equity shares, the members are requested to write to the RTA at the address mentioned above or to the Company for claiming the unpaid / unclaimed dividend.

20. In line with MCA and SEBI circulars , the Notice calling the AGM along with the Annual Report for 2024-25 ("Annual Report") is being sent through electronic mode to those Members whose email addresses are registered with the Company / Depositories. Members may note that the Notice of AGM and Annual Report will also be available on the website of the Company at www.rcfltd.com under 'Investor Relations' section, the website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.

com and www.nseindia.com respectively. The Notice is also disseminated on the website of CDSL at www.evotingindia.com.

21. All the documents referred in the Notice are available for inspection electronically from the date of dispatch of Notice till Friday, October 17, 2025. Members seeking to inspect such documents are requested to write to the Company at investorcommunications@rcfltd.com.

22. A person, whose name is recorded in the Register of Members / Beneficial Owners list maintained by the depositories as on Friday, October 10, 2025 only shall be entitled to avail the facility of remote e-voting or e-voting during the AGM.

23. Members are requested to notify immediately any changes in their address to the Company or its Transfer Agents: MUFG Intime India Pvt. Ltd., C 101, 247 Park, L. B. S. Marg, Vikhroli West, Mumbai 400083.

24. Any clarifications needed by the members of the Company may be addressed to the Company Secretary at the Registered Office of the Company or through e-mail investorcommunications@rcfltd.com at least seven days prior to the date of Annual General Meeting.

25. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/MUFG Intime India Private Limited (in case of shares held in physical mode) and depositories (in case of shares held in demat mode). Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to cs@rcfltd.com or rcfdivtax@in.mpms.mufg.com. The aforesaid declarations and documents need to be submitted by the shareholders on or before Friday, October 10, 2025.

    Kindly note that no documents in respect of TDS would be accepted from members after Friday, October 10, 2025.

26. SEBI vide its circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/ CIR/2025/97 dated July 2, 2025 has opened a special window only for re-lodgement of transfer deeds, which were lodged prior to the deadline of April 01, 2019 and rejected/returned/ not attended to due to deficiency in the documents/process/ or otherwise, for a period of six months from July 07, 2025 till January 06, 2026. During this period, the securities that are re-lodged for transfer (including those requests that are pending with the listed company/RTA, as on date) shall be issued only in demat mode. Due process shall be followed for such transfer-cum demat requests.

27. Pursuant to Ministry of Corporate Affairs (MCA) communication dated July 16, 2025, the Company has initiated a 100 Day Campaign "Saksham Niveshak" from July 28, 2025 to November 6, 2025 for the shareholders, whose dividend are unpaid/ unclaimed. Members are requested to update their KYC as given below:

- **The members holding shares in Physical form -** with the Company's Registrar & Transfer Agent (RTA) at the following address at MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited), Unit: Rashtriya Chemicals and Fertilizers Limited, C-101, Embassy 247, L.B.S. Marg, Vikhroli (West), Mumbai – 400083; Phone: +91 8108116767; Email: rnt.helpdesk@in.mpms.mufg.com. The forms for updating the same are available at https://web.in.mpms.mufg.com/helpdesk/Service_Request.html
- **For shares held in dematerialized form -** with the Depository Participant (DP) where the demat account is maintained as per the process advised by DP.

  Upon updation of KYC & bank details members are requested to intimate the same to the RTA at the above address he so that the unpaid / unclaimed dividend can be credited to their bank account.

28. **Investor Grievance Redressal**: The Company has designated an exclusive e-mail ID i.e. investorcommunications@rcfltd.com to enable the investors to register their complaints / send correspondence, if any.

29. **Webcast**: In terms of Regulation 44 of SEBI LODR, the Company is also providing the facility of live 'Webcast' of the proceedings of the AGM for the Shareholders on Friday, October 17, 2025 from 3.00 pm onwards till conclusion of the AGM. You may access the same at RCF's website (www.rcfltd.com).

PROCEDURE FOR REMOTE E-VOTING, ATTENDING THE AGM THROUGH VC/ OAVM AND E-VOTING DURING THE AGM:

Pursuant to the Regulation 44 of the SEBI LODR, Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to its members facility to exercise their right to vote on all resolutions set forth in the Notice convening the 47th AGM by electronic means. The Company has engaged the services of Depository viz. Central Depository Services (India) Limited (CDSL) to provide the remote e-voting facility.

The remote e-voting facility is available at the link www.evotingindia.com. Please read the instructions printed below before exercising your vote.

(i) The voting period begins on Monday, October 13, 2025 from 9.00 am (IST) and ends on Thursday, October 16, 2025 at 5.00 pm (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Friday, October 10, 2025 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

(iii) Pursuant to to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL Depository**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & My Easi New (Token) Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with **NSDL Depository**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on **company name or e-Voting service provider name** and you will be re-directed to **e-Voting service provider website** for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911.

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

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

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on "Shareholders" module.

3) Now enter your User ID

   a. For CDSL: 16 digits beneficiary ID,

   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

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

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

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

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

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

(v) Click on the EVSN for the relevant <Rashtriya Chemicals and Fertilizers Limited > on which you choose to vote.

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

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

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

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

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

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

(xii) There is also an optional provision to upload BR/ POA if any uploaded, which will be made available to scrutinizer for verification.

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

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

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

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ ask questions during the meeting may do so by registering themselves as a speaker by sending their request in advance from Friday, October 10, 2025 (09:00 a.m.) (IST) to Wednesday, October 15, 2025 (05.00 p.m.) (IST) mentioning their name, demat account number/folio number, email id, mobile number at investorcommunications@rcfltd.com. Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.

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

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

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

Scrutinizer

The Board of Directors of the Company has appointed Shri Nrupang Dholakia of M/s Dholakia & Associates LLP, as Scrutinizer to scrutinize the voting process in a fair and transparent manner.

E. Declaration of Results:

(i) The scrutinizer shall, immediately after the conclusion of voting during the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 2 working days of conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairperson of the Company or the person authorized by him, who shall countersign the same.

(ii) Based on the scrutinizer's report, the Company will submit within 2 working days of the conclusion of the AGM to the Stock Exchanges, details of the voting results as required under Regulation 44(3) of the SEBI LODR, 2015.

(iii) The results declared along with the scrutinizer's report, will be hosted on the website of the Company at www.rcfltd.com and on the website of CDSL, immediately after the declaration of the result by the Chairperson or a person authorised by him in writing and communicated to the Stock Exchanges.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following statement sets out all the material facts relating to the Special Business mentioned in the accompanying Notice.

Item No.6

Pursuant to the recommendation of the Audit Committee, the Board of Directors at their meeting held on May 27, 2025 has considered and approved the appointment of M/s K.G Goyal & Associates, Cost Accountants (FRN No.000024), to conduct the audit of the cost records of the Company for the financial year ending March 31, 2026 at remuneration of ₹ 2,80,000/- excluding applicable taxes as set out in the Resolution under this Item of the Notice.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company. Accordingly, consent of the members is sought by passing an Ordinary Resolution for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2026, as approved by the Board.

No Director, Key Managerial Personnel of the Company or their relatives, is concerned or interested, financially or otherwise, in the resolution.

The Directors, therefore, recommend the resolution set forth in item no.6 for the approval of the members.

Item No.7

Sub-rule (2) of Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 prescribed under Section 42 of the Act dealing with private placement of securities by a company states that in case of an offer or invitation to subscribe for non-convertible debentures on private placement, the company shall obtain previous approval of its shareholders by means of a special resolution only once in a year for all the offers or invitations for such debentures during the year. Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014 deals with issue of secured debentures.

In order to augment long term resources for financing, inter alia, the ongoing capital expenditure and for general corporate purposes, the Board may, at an appropriate time, offer or invite subscription for secured or unsecured non-convertible debentures, in one or more series / tranches on private placement, issuable/redeemable at par.

Accordingly, consent of the members is sought for passing the Special Resolution as set out at Item No. 7 of the Notice. This resolution is an enabling resolution and authorises the Board of Directors of the Company to offer or invite subscription for Secured or Unsecured Non-convertible Debentures, as may be required by the Company, from time to time for a year from the date of passing this resolution.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Directors, therefore, recommend the resolution set forth in item no.7 for the approval of the members.

Item No.8

Shri S.C. Mudgerikar has taken over charge of Chairman & Managing Director of Rashtriya Chemicals and Fertilizers Ltd. (RCF) w.e.f. October 1, 2019 in terms of letter no. 78/1/2019-HR-I dated August 29, 2019, issued from Ministry of Chemicals & Fertilizers.

Further, Department of Fertilizers, Ministry of Chemicals and Fertilizers, Government of India, vide letter no.78/1/2023-HR PSU(e-35772) dated September 17, 2024 has extended the tenure of Shri Shriniwas Chandrashekhar Mudgerikar, as Chairman & Managing Director, of the Company for a period with effect from October 1, 2024 till the date of his superannuation i.e. December 31, 2025, or until further orders, whichever is earlier.

Shri Mudgerikar is an Indian Railway Traffic Service (IRTS) Officer. He is a Post Graduate Engineer with a Post Graduate Management qualification from IIM Bangalore. He has wide experience in Logistics & Supply Chain Management and has worked in the Indian Railways in various capacities as an IRTS Officer. Before joining RCF, he has worked as Director (Marketing & Corporate Planning) of Central Warehousing Corporation. He has also served the Director on the Boards of CONCOR Air Ltd., National Multi Commodity Exchange, IFFCO-CRWC JV, Maharashtra SWC & West Bengal SWC. He has also worked as Chief Commercial Manager (FS), CPRO, Sr. Divisional Commercial Manager in the Indian Railways & Chief General Manager of CONCOR. He has received extensive training in the field of Management at some of the world's best Institutes like IIM Bangalore, IIM Kolkata, INSEAD/ Singapore, ICLIF/Malaysia, Syracuse University USA Antwerp Port Training Centre, China-Europe Management School. He has in-depth knowledge about the supply-chain logistics & is also involved in policy making for further development of the field.

Shri Mudgerikar is not disqualified from being appointed as Director in terms of section 164 of the Act and has given his consent to act as Director.

The Company has, in terms of Section 160(1) of the Act, received a notice from Member(s) proposing his candidature for the office of Chairman & Managing Director.

Shri Mudgerikar does not hold any shares in the Company by himself or for any other person on beneficial basis.

Except Shri Mudgerikar, to whom the resolution relates, no Director, Key Managerial Personnel of the Company or their relatives, is concerned or interested, financially or otherwise, in the resolution.

The Board of Directors considered that keeping in view his vast expertise and knowledge, it will be in the interest of the Company to re-appoint him as Chairman & Managing Director.

The Directors, therefore, recommend the resolution set forth in item no.8 for the approval of the members.

Item No. 9

Shri Niranjan S. Sonak has taken over charge of Director (Marketing) of Rashtriya Chemicals and Fertilizers Ltd. (RCF) w.e.f. January 28, 2025, in terms of letter no.78/01/2017-HR-I (Part) (e-36220) dated January 27, 2025, issued from Ministry of Chemicals & Fertilizers.

Shri Niranjan Sonak is B. Tech (Chemical Engineering), Management degree PGDMM (Marketing), National Certification for Energy Managers (BEE). He worked as a Technical Member of Core Team at Corporate office and have Multi-disciplinary experience in Technical and Commercial of 34 years in RCF (17 Yrs at Thal and 17 Yrs at Trombay). He has experience of 10 years in Industrial production division, 07 years in Commercial and Purchase department, 13 years in Urea Production, 04 years in Technical Audit, and also worked as Commissioning engineer at Shahajanpur Ammonia/Urea plant of OCFL (SHAM KRIBHCO).

Awarded with 2022-23 Corporate Excellence Award.

Shri Sonak is not disqualified from being appointed as Director in terms of section 164 of the Act and has given his consent to act as Director.

The Company has, in terms of Section 160(1) of the Act, received a notice from Member(s) proposing his candidature for the office of Director (Marketing).

Shri Sonak does not hold any shares in the Company by himself or for any other person on beneficial basis.

Except Shri Sonak, to whom the resolution relates, no Director, Key Managerial Personnel of the Company or their relatives, is concerned or interested, financially or otherwise, in the resolution.

The Board of Directors considered that keeping in view his vast expertise and knowledge, it will be in the interest of the Company to appoint him as Director (Marketing).

The Directors, therefore, recommend the resolution set forth in item no.9 for the approval of the members.

Item No. 10

Ms Aparna S. Sharma, who has been appointed by President of India as Government Nominee Director on the Board of the Company w.e.f. February 18, 2025, in terms of letter no. no.95/1/2019-HR-PSU (part-2)(e-31042) dated February 18, 2025, issued from Ministry of Chemicals & Fertilizers , pursuant to Section 161(1) of the Companies Act, 2013 read with Article 81(4) of Articles of Association of the Company, will hold the office till the date of 47th Annual General Meeting.

Ms Aparna S. Sharma, Additional Secretary, Department of Fertilizers, Ministry of Chemicals and Fertilizers, Govt. of India. She is a post graduate in English Literature from Delhi University and a 1990 batch CSS Officer. She has over 26 years of work experience in various Ministries of Government of India including Department of Higher Education, Health and Family Welfare, Personnel and Training. Finance and Urban Development. She has handled a range of subjects while handling portfolios of varied nature relating to intellectual property rights, infrastructure development, policy formulation, scheme implementation, drafting legislation and work of regulatory nature. She has written several articles and made presentations at national and international workshops as part of official duties.

Ms Sharma is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her consent to act as Director.

Ms Sharma does not hold any shares in the Company by herself or for any other person on beneficial basis. The Company has received a notice in writing from a member proposing the candidature of Ms Sharma for the office of Director Except Ms Sharma, to whom the resolution relates, no Director, Key Managerial Personnel of the Company or their relatives, is concerned or interested, financially or otherwise, in the resolution .

The Board of Directors considered that keeping in view her vast expertise and knowledge, it will be in the interest of the Company to appoint her as Director.

The Directors, therefore, recommend the resolution set forth in item no.10 for the approval of the members.

Item No. 11

Shri Gopinathan Nair Anilkumar who has been appointed by President of India as an Independent Director on the Board of the Company w.e.f. May 9, 2025, in terms of letters no. 95/01/2025-HR-PSU (e-38759) dated April 17, 2025 & May 16, 2025 issued from Ministry of Chemicals & Fertilizers, pursuant to Section 161(1) of the Companies Act, 2013 read with Article 81(4) of Articles of Association of the Company, will hold the office till the date of 47th Annual General Meeting.

Shri Nair is law graduate and rubber planter, processor and exporter since 1985. He obtained nation's largest quantity of natural rubber sheets awards exported to various countries recommended by Rubber Board, Government of India, he was awarded two times Nation's first largest exporter and two times was awarded Second largest exporter year of 2009 to 2013. He was also Assessing Officer for Rubber Skill Development Council approved by Skill India Project. He served as an Independent Director on the Board of Rashtriya Chemicals and Fertilizers Limited from 27.12.2021 to 04.11.2024. He is also holding the post of Vice Chairman, Rubber Board, under Ministry of Commerce, Government of India.

Shri Gopinathan Nair Anilkumar is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

The Company has received a declaration from Shri Gopinathan Nair Anilkumar that he meets with the criteria of independence as prescribed both under sub-section (6) of section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Shri Gopinathan Nair Anilkumar fulfils the conditions for his appointment as an Independent Director as specified in the Act.

Pursuant to the provisions of Section 161(1) of the Act, Shri Gopinathan Nair Anilkumar shall hold office up to the date of this Annual General Meeting and is eligible to be appointed as an Independent Director. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member(s), proposing his candidature for the office of Independent Director.

Shri Gopinathan Nair Anilkumar does not hold any shares in the Company by himself or for any other person on beneficial basis.

Except Shri Gopinathan Nair Anilkumar, to whom the resolution relates, no Director, Key Managerial Personnel of the Company or their relatives, is concerned or interested, financially or otherwise, in the resolution.

The Board of Directors considered that keeping in view his vast expertise and knowledge, it will be in the interest of the Company to appoint him as Director.

The Directors, therefore, recommend the resolution set forth in item no. 11 for the approval of the members.

Item No. 12

Prof Anjula Murmu who has been appointed by President of India as an Independent Director on the Board of the Company w.e.f. May 9, 2025, in terms of letters no. 95/01/2025-HR-PSU (e-38792) dated May 5, 2025 & May 16, 2025 issued from Ministry of Chemicals & Fertilizers, pursuant to Section 161(1) of the Companies Act, 2013 read with Article 81(4) of Articles of Association of the Company, will hold the office till the date of 47th Annual General Meeting.

Prof Murmu is an academician and holds Doctorate in Arts from Sido Kanhu Murmu University, Dumka. Presently working as Assistant Professor in SP Mahila College, Dumka. She served as an Independent Director on the Board of The Fertilisers and Chemicals Travancore Limited from 18.04.2022, to 28.03.2025.

Prof Anjula Murmu is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her consent to act as Director.

The Company has received a declaration from Prof Anjula Murmu that she meets with the criteria of independence as prescribed both under sub-section (6) of section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Prof Anjula Murmu fulfils the conditions for her appointment as an Independent Director as specified in the Act.

Pursuant to the provisions of Section 161(1) of the Act, Prof Anjula Murmu shall hold office up to the date of this Annual General Meeting and is eligible to be appointed as an Independent Director. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member(s), proposing her candidature for the office of Independent Director.

Prof Anjula Murmu does not hold any shares in the Company by herself or for any other person on beneficial basis.

Except Prof Anjula Murmu, to whom the resolution relates, no Director, Key Managerial Personnel of the Company or their relatives, is concerned or interested, financially or otherwise, in the resolution.

The Board of Directors considered that keeping in view her vast expertise and knowledge, it will be in the interest of the Company to appoint her as Director.

The Directors, therefore, recommend the resolution set forth in item no. 12 for the approval of the members.

Item No. 13

Shri Partha Sarathi Ghosh who has been appointed by President of India as an Independent Director on the Board of the Company w.e.f. May 9, 2025, in terms of letters no. 95/01/2025-HR-PSU (e-38792) dated May 5, 2025 & May 16, 2025 issued from Ministry of Chemicals & Fertilizers, pursuant to Section 161(1) of the Companies Act, 2013 read with Article 81(4) of Articles of Association of the Company, will hold the office till the date of 47th Annual General Meeting.

Shri Ghosh holds a bachelor's degree in commerce from North Bengal University. He has twenty one (21) years of experience in the Hotel business. Further, he is a member of Aurobinda Park Saraswati Shishu Mandir, an institution in the field of education. He served as an Independent Director on the Board of WAPCOS Limited from 23.02.2022 to 22.02.2025.

Shri Partha Sarathi Ghosh is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

The Company has received a declaration from Shri Partha Sarathi Ghosh that he meets with the criteria of independence as prescribed both under sub-section (6) of section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Shri Partha Sarathi Ghosh fulfils the conditions for his appointment as an Independent Director as specified in the Act.

Pursuant to the provisions of Section 161(1) of the Act, Shri Partha Sarathi Ghosh shall hold office up to the date of this Annual General Meeting and is eligible to be appointed as an Independent Director. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member(s), proposing his candidature for the office of Independent Director.

Shri Partha Sarathi Ghosh does not hold any shares in the Company by himself or for any other person on beneficial basis.

Except Shri Partha Sarathi Ghosh, to whom the resolution relates, no Director, Key Managerial Personnel of the Company or their relatives, is concerned or interested, financially or otherwise, in the resolution.

The Board of Directors considered that keeping in view his vast expertise and knowledge, it will be in the interest of the Company to appoint him as Director.

The Directors, therefore, recommend the resolution set forth in item no. 13 for the approval of the members.

Item No. 14

The Board at its meeting held on August 12, 2025, after evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence and vide experience etc., has approved the appointment of M/s Bhandari & Associates, Practising Company Secretaries, a peer reviewed firm (Firm Registration No. P1981MH043700) as Secretarial Auditors of the Company for a term of five consecutive years commencing from FY 2025-26 till FY 2029-30, subject to approval of the Members.

The appointment of Secretarial Auditors shall be in terms of the amended Regulation 24A of the SEBI LODR, 2015 vide SEBI Notification dated December 12, 2024 and provisions of Section 204 of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

M/s Bhandari & Associates, Company Secretaries, having 3 partners, is a full services corporate law advisory firm which has created a niche in Corporate Law practice with expertise in diverse domains. Shri S. N. Bhandari, founder of M/s Bhandari & Associates, is a senior fellow member of the Institute of Company Secretaries of India, New Delhi. M/s Bhandari & Associates have set an excellent track

record in the field of Corporate Laws, Securities Laws, Foreign Exchange Management Laws and Tax Laws. The firm undertakes Board Process Audits, Corporate Governance Audits, Secretarial Audits, Internal Audits on Functions and Activities, Corporate Actions/Transactions based Due Diligence Audits. The Firm is acclaimed for its expertise in Mergers and Acquisitions - both at transaction compliances as well as for conceptualization strategies.

M/s Bhandari and Associates has confirmed that the firm is not disqualified and is eligible to be appointed as Secretarial Auditors in terms of Regulation 24A of the SEBI LODR, 2015. The services to be rendered by M/s Bhandari and Associates as Secretarial Auditors is within the purview of the said regulation read with SEBI circular no. SEBI/ HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024.

The proposed fees in connection with the secretarial audit shall be ₹ 1,55,000/- (Rupees One Lakh Fifty Five Thousand only) plus applicable taxes and other out-of-pocket expenses for financial year 2025-26, and for subsequent year(s) of their term, such fees as may be mutually agreed between the Company and M/s Bhandari and Associates. In addition to the secretarial audit, M/s Bhandari and Associates shall provide such other services in the nature of certifications and other professional work, as approved by the Board of Directors. The relevant fees will be determined by the Board, in consultation with the Secretarial Auditors.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, in the Resolution set out in Item No. 14 of this Notice.

The Directors, therefore, recommend the resolution set forth in item no. 14 for the approval of the members.

Item No. 15

Ms Sipra Bajpai who has been appointed by President of India as an Independent Director on the Board of the Company w.e.f. September 11 , 2025, in terms of letter no. 95/01/2025-HR-PSU (e-38792) dated May 22, 2025 issued from Ministry of Chemicals & Fertilizers, pursuant to Section 161(1) of the Companies Act, 2013 read with Article 81(4) of Articles of Association of the Company, will hold the office till the date of 47th Annual General Meeting.

Ms. Sipra Bajpai holds a Master's degree in Commerce and Bachelor degree in Law from FM University, Balasore, Odisha. Since 2019, she has been serving as the State Secretary of the Bharatiya Janata Party (BJP) in Odisha. In this role, she has contributed to strengthening the party's organizational structure, coordinating grassroots campaigns, and supporting public outreach initiatives. Actively engaged in both political and social causes, Ms. Bajpai continues to play an important role in promoting the party's vision and connecting with communities across the state.

Ms Sipra Bajpai is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her consent to act as Director.

The Company has received a declaration from Ms Sipra Bajpai that she meets with the criteria of independence as prescribed both under sub-section (6) of section 149 of the Companies Act, 2013 and Regulation 16(1) (b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Ms Sipra Bajpai fulfils the conditions for her appointment as an Independent Director as specified in the Act.

Pursuant to the provisions of Section 161(1) of the Act, Ms Sipra Bajpai shall hold office up to the date of this Annual General Meeting and is eligible to be appointed as an Independent Director. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member(s), proposing her candidature for the office of Independent Director.

Ms Sipra Bajpai does not hold any shares in the Company by herself or for any other person on beneficial basis.

Except Ms Sipra Bajpai, to whom the resolution relates, no Director, Key Managerial Personnel of the Company or their relatives, is concerned or interested, financially or otherwise, in the resolution.

The Board of Directors considered that keeping in view her vast expertise and knowledge, it will be in the interest of the Company to appoint her as Director.

The Directors, therefore, recommend the resolution set forth in item no. 15 for the approval of the members.

Sd/-
(J. B. Sharma)
Executive Director
(Legal & Company Secretary)
FCS 5030

Date: September 24, 2025
Place: Mumbai

Registered Office:
Rashtriya Chemicals and Fertilizers Limited
Priyadarshini,
Eastern Express Highway,
Sion, Mumbai 400 022.

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE AGM PURSUANT TO SECRETARIAL STANDARD 2 - GENERAL MEETING and SEBI LODR 2015

Name	Shri S.C. Mudgerikar (DIN: 03498837)	Ms Nazhat J. Shaikh (DIN: 07348075)	Ms Ritu Goswami (DIN: 10463372)	Shri Niranjan S. Sonak (DIN: 10926090)	Ms Aparna S. Sharma (DIN: 07798544)	Shri Gopinathan Nair Anilkumar (DIN: 09447818)	Ms Anjula Murmu (DIN: 09565841)	Shri Partha Sarathi Ghosh (DIN: 09517108)	Ms Sipra Bajpai (DIN 11287685)
Age	59 years	58 years	58 years	58years	58 years	61 years	45 years	52 years	42 Years
Date of birth	17.12.1965	27.03.1967	19.03.1967	07.07.1967	02.06.1967	28.09.1963	28.05.1980	25.07.1973	14.01.1983
Nationality	Indian	Indian	Indian	Indian	Indian	Indian	Indian	Indian	Indian
Date of Appointment/ Re-appointment	01.10.2024	01.12.2021	17.01.2024	28.01.2025	18.02.2025	09.05.2025	09.05.2025	09.05.2025	11.09.2025
Qualification	Indian Railway Traffic Service (IRTS), M.E (Metrological) B.E. & a Post Graduate Management from IIM Bangalore.	Bachelor's degree in Commerce from Mumbai University, Chartered Accountant & certified SAP FI Consultant.	Chemical Engineer.	B. Tech (Chemical Engineering), Management Degree PGDMM (Marketing), National Certification for Energy Managers (BEE).	Post graduate in English Literature from Delhi University and CSS Officer.	LLB Degree from Andhra University.	Doctorate in Arts from Sido Kanhu Murmu University, Dumka.	Bachelor's degree in commerce from North Bengal University.	Master's degree in Commerce and Bachelor degree in Law
Terms & Conditions of appointment	Re-appointed as Chairman & Managing Director by President of India through Ministry of Chemicals & Fertilizers.	Appointed as Director (Finance) by President of India through Ministry of Chemicals & Fertilizers.	Appointed as Director (Technical) by President of India through Ministry of Chemicals & Fertilizers.	Appointed as Director (Marketing) by President of India through Ministry of Chemicals & Fertilizers.	Appointed as Part-time Official Director by President of India through Ministry of Chemicals & Fertilizers.	Appointed as Independent Director by President of India through Ministry of Chemicals & Fertilizers.	Appointed as Independent Director by President of India through Ministry of Chemicals & Fertilizers.	Appointed as Independent Director by President of India through Ministry of Chemicals & Fertilizers.	Appointed as Independent Director by President of India through Ministry of Chemicals & Fertilizers.
Brief Profile & Nature of Expertise in Specific Functional Area	He is a techno-manager and has wide ranging experience in managing technology based organisations. Shri. S. C. Mudgerikar is a Post Graduate Engineer with a management qualification from IIM Bangalore. Apart from this, he has received extensive in-service training in the fields of management and public policy at some of the world's leading Institutions like INSEAD/ Singapore, ICLIF/Malaysia, Syracuse University, Antwerp Port Training Centre, China-Europe Management School and IIM Kolkata. Known for his scientific temper and ethical	She holds a Bachelor's degree in Commerce from Mumbai University and is a qualified Chartered Accountant. She is a certified SAP FI Consultant. She started her career with RCF in the year 1989 as Accounts Officer. She was selected as Director (Finance) in National Film Development Corporation, a CPSE under the administrative Ministry of Information & Broadcasting and joined on 24th November 2015, after taking lien from Rashtriya Chemicals & Fertilizers Ltd. She re-joined RCF as Executive Director Finance on 1st August 2019.	Ms Goswami is more than 35 years of hands on experience in varied aspects of the fertilizer industry. She has an acumen for leadership oriented management with key areas of expertise in conceptualization of projects, project feasibility, selection of technology, project cost estimates, projects coordination, business strategies, contract management, process engineering, optimizing input costs for product manufacturing via negotiations with leading suppliers,	He worked as a Technical Member of Core Team at Corporate office and have Multi-disciplinary experience in Technical and Commercial of 34 years in RCF (17 Yrs at Thal and 17 Yrs at Trombay). He has experience of 10 years in Industrial production division, 07 years in Commercial and Purchase department, 13 years in Urea Production, 04 years in Technical Audit, and also worked as Commissioning engineer at Shahajanpur Ammonia/ Urea plant of OCFL (SHAM KRIBHCO).	Ms Sharma is a 1990 batch CSS Officer. She has over 25 years of work experience in various Ministries of Government of India including Department of Higher Education, Health and Family Welfare, Personnel and Training. Finance and Urban Development.	Shri Nair is law graduate and rubber planter, processor and exporter since 1985. He obtained nation's largest quantity of natural rubber sheets awards exported to various countries recommended by Rubber Board, Government of India, he was awarded two times Nation's first largest exporter and two times awarded Second largest exporter year of 2009 to 2013. He was also Assessing Officer for Rubber Skill Development Council approved by Skill India Project. He served as an Independent Director on the Board of Rashtriya Chemicals and Fertilizers Limited from 27.12.2021 to 04.11.2024. He is also holding the post of Vice Chairman, Rubber Board, under Ministry	Prof Murmu is an academician and holds Doctorate in Arts from Sido Kanhu Murmu University, Dumka. Presently working as Assistant Professor in SP Mahila College, Dumka. She served as an Independent Director on the Board of The Fertilisers and Chemicals Travancore Limited from 18.04.2022, to 28.03.2025. Law, General Administrative, Academic and Co-operation, Finance, Human Resources, & Agriculture and Rural Economy.	Shri Ghosh holds a bachelor's degree in commerce from North Bengal University. He has twenty one (21) years of experience in the Hotel business. Further, he is a member of Aurobinda Park Saraswati Shishu Mandir, an institution in the field of education. He served as an Independent Director on the Board of WAPCOS Limited from 23.02.2022 to 22.02.2025. Law, General Administrative and Co-operation, Finance, Human Resources, & Agriculture and Rural Economy.	Ms. Sipra Bajpai holds a Master's degree in Commerce and Bachelor degree in Law from FM University, Balasore, Odisha. Since 2019, she has been serving as the State Secretary of the Bharatiya Janata Party (BJP) in Odisha. In this role, she has contributed to strengthening the party's organizational structure, coordinating grassroots campaigns, and supporting public outreach initiatives. Actively engaged in both political and social causes, Ms. Bajpai

Name	Shri S.C. Mudgerikar (DIN: 03498837)	Ms Nazhat J. Shaikh (DIN: 07348075)	Ms Ritu Goswami (DIN: 10463372)	Shri Niranjan S. Sonak (DIN: 10926090)	Ms Aparna S. Sharma (DIN: 07798544)	Shri Gopinathan Nair Anilkumar (DIN: 09447818)	Ms Anjula Murmu (DIN: 09565841)	Shri Partha Sarathi Ghosh (DIN: 09517108)	Ms Sipra Bajpai (DIN 11287685)
Brief Profile & Nature of Expertise in Specific Functional Area	approach towards problem solving, he has successfully turned around the performance of RCF over the years. Before joining RCF, he has managed one of the busiest rail networks in the world as an Indian Railway Traffic Service (IRTS) Officer. During his long and illustrious career as a techno-manager, he has worked on the Boards of various important organisations viz. Central Warehousing Corporation, CONCOR Air, National Multi Commodity Exchange, IFFCO-CRWC JV, Maharashtra & West Bengal SWCs. He has worked on various committees of Government of India and has substantially contributed towards policy formulation in the fields of fertilizers, logistics and information technology.	She was entrusted with various responsibilities relating to Finance in Trombay, Fertilizer Marketing & Corporate during her service period in RCF. She was also given charge of IT responsibilities during the crucial period of SAP ERP implementation/ upgrade. She has been a member of Women's Cell and Complaints Committee for prevention of Sexual Harassment and during the tenure also served as Chairperson of the Committee briefly. She was facilitator for conduct of Gender audit in RCF. On rejoining as ED(Finance), she was responsible for the entire finance, accounting, taxation and related reporting and compliances, treasury function and financial concurrence of all proposals. She has a rich experience of more than 29 years in the fertilizer industry. At NFDC, she was holding additional charge of the responsibilities of Managing Director of NFDC for a brief period. Being one of the two Functional Directors, she got an exposure to the non-finance areas including media & production business, film festivals and promotion in addition to HR,	production planning and performance monitoring of mega fertilizer plants.	Awarded with 2022-23 Corporate Excellence Award.		of Commerce, Government of India Law, General Administrative and Co-operation, Finance, Human Resources, & Agriculture and Rural Economy.			continues to play an important role in promoting the party's vision and connecting with communities across the state.

Name	Shri S.C. Mudgerikar (DIN: 03498837)	Ms Nazhat J. Shaikh (DIN: 07348075)	Ms Ritu Goswami (DIN: 10463372)	Shri Niranjan S. Sonak (DIN: 10926090)	Ms Aparna S. Sharma (DIN: 07798544)	Shri Gopinathan Nair Anilkumar (DIN: 09447818)	Ms Anjula Murmu (DIN: 09565841)	Shri Partha Sarathi Ghosh (DIN: 09517108)	Ms Sipra Bajpai (DIN 11287685)
Brief Profile & Nature of Expertise in Specific Functional Area		legal & administrative functions. She was awarded Best Woman Employee Award in Executive Category (3rd place) instituted by Forum of Woman in Public Sector (under the aegis of SCOPE) in February 2014 and the CFO100 Next Award 2013 instituted by the CFO institute.							
Details of remuneration last drawn (Financial year 2024-25)	₹ 0.84 Crore	₹ 0.70 Crore	₹ 0.53 Crore	₹ 0.13 Crore	N.A.	₹ 0.09 Crore	N.A.	N.A.	N.A.
Number of Meetings of the Board held during the year and number of Board Meetings attended	14/14	14/14	14/14	2/2	0/1	11/11	NA	NA	NA
Disclosure of relationship between Directors inter se	There is no relationship inter se between the Directors or KMP.								
Directorship held in other companies	a. Fertilisers and Chemicals Travancore Limited b. The Fertiliser Association of India	Nil	1. National Fertilizers Limited	Nil	Nil	Nil	NA	NA	NA
Listed entities from which the person has resigned in the past three years	None	None	None	None	None	None	None	None	None
Memberships/ Chairmanship of Committees in other Companies*	Nil	Nil	Nil	Nil	Nil	Nil	NA	NA	NA
No. of Shares held	Nil	100	Nil	Nil	Nil	Nil	Nil	Nil	Nil

* In line with Regulation 26 of SEBI LODR, 2015, membership of only Audit committee and Stakeholders Relationship Committee has been considered.

DIRECTORS' REPORT

Dear Members,

The Directors of your Company have pleasure in presenting this 47th Annual Report on the working of your Company together with the Audited Financial Statements for the year ended March 31, 2025.

FINANCIAL PERFORMANCE

₹ Crore

Particulars	2024-25	2023-24
Total Income (Net)	**17098.46**	**17146.70**
Total Operating Cost	**16258.89**	**16466.70**
Operational Profit	839.57	680.05
Depreciation/Impairment	262.76	233.10
Finance Cost	253.68	183.64
Profit before exceptional items	**323.13**	**263.31**
Net Exceptional Items (income) / Expense	(4.37)	(40.32)
Profit before Tax	**327.50**	**303.63**
Provision for Tax (including deferred Tax liability/ Asset)	85.87	75.89
Net Profit	**241.63**	**227.74**
Retained Earnings		
Add / (less): Re-measurement of Defined Benefit Plan	(35.76)	(22.37)
Less: Dividend Paid (Previous Financial Year)	(68.41)	(204.12)
Less: Balance Transferred to / (from) General Reserve	(137.46)	1.25

During the year, the major factors affecting your Company's profitability before tax are as under:

a. Better margins of Industrial products and Complex Fertilizers contributed profitability.

b. Lower energy efficiencies and production of Urea beyond reassessed capacity adversely impacted Thal Urea profitability.

c. Despite higher Finance costs and increased depreciation owing to higher Capitalization, overall profitability improved as compared to Previous Year.

d. Overall Profitability was adversely impacted primarily due to losses incurred on DAP imports, which were undertaken as per the directives of the Department of Fertilizers (DoF) and sold at a capped MRP. Despite additional compensation of ₹3,500 PMT and policy announcements aimed at mitigating adverse import price variations, margins remained under pressure. Further, under-recoveries continue to persist, aggravating the overall impact.

MEMORANDUM OF UNDERSTANDING WITH GOVERNMENT OF INDIA

Your Company has been entering into a Memorandum of Understanding (MoU) with the Ministry of Chemicals & Fertilizers, Government of India, setting the performance parameters and targets every year. Your Company has secured "Very Good" rating for the year 2023-24.

The performance rating for 2024-25 MoU is yet to be finalised by the Government and the Company expects to achieve "Good" ratings this year.

DIVIDEND

Although your Company has lined up a number of capex programmes which will entail substantial expenditure, considering the consistent profits being made by the Company and based on the Company's performance, your Directors are pleased to recommend a final Dividend of ₹ 1.32 per equity share of ₹ 10/- each for the financial year 2024-25, and would involve a total cash outflow of ₹ 72.82 Crore (₹ 68.41 Crore as Final Dividend in the previous year). The final dividend pay-out is subject to the approval of members at the ensuing Annual General Meeting.

APPROPRIATION TO GENERAL RESERVES

Your Company earned a net Profit after Tax of ₹ 241.63 Crore (₹ 227.47 Crore in the previous year). Re-measurement of defined benefit plans resulted in loss of ₹ 35.76 crore (previous year ₹ 22.37 crore). The dividend pay-out pertaining to financial year 2023-24 was ₹ 68.41 Crore (₹ 204.12 Crore pertaining to financial year 2022-23 and interim dividend pertaining to financial year 2023-24 was ₹ Nil Crore).The balance amount of ₹ 137.46 Crore (₹ 1.25 Crore in the previous year 2023-24) was transferred to General Reserves.

AWARDS WON

As in the past, your Company has won many awards during the year 2024-25, some of which are as under:

- Dun & Bradstreet PSU Award for "BEST NAVRATNA" category
- Governance Now 11th PSU Award for The PSU Leadership Award-CMD/MD
- Governance Now 10th PSU IT Award for Digital Transformation Excellence-2025
- 3rd PSU transformation Award for Excellence in Safety Management
- 17th EXCEED Occupational Health & Safety award 2024
- Safety Excellence Award for 1st Annual Green Environment Safety Award 2025

- "FICCI Chemical and Petrochemical Award 2024" for leadership in energy management.
- Organizational Excellence Safety Award 2024 in QCFI Mumbai Chapter.
- Won Certificate of Merit in Maharashtra Safety Awareness Competition 2023
- Golden Peacock award for Energy Efficiency 2024 at Bangalore at an event organized by Institute of Directors (IOD).
- Greentech Global EHS Award 2024 for outstanding achievements in EHS Best practices category.
- "Greentech Pollution Control Waste Management & Recycling (PCWR) Award 2024" for outstanding achievements in "Innovative Waste Management Technology" Category at Guwahati, Assam.
- "Platinum award" by Grow Care India in **Environment** category-2023 for outstanding achievement in Environment Management at Goa.
- "Platinum award" by Grow Care India in **OHS** category 2024 for outstanding achievement in OHS Management on at Goa.
- The second prize for excellent implementation of official language in the year 2024-25 by the City Official Language Implementation Committee.
- Trombay unit was awarded the Best Implementation Award for excellent implementation of official language by Ashirvad Sahitya Sansthan, Mumbai.
- General Manager (CC & CSR) Shri Madhukar Pacharne was awarded the Rajbhasha Gaurav Award for excellent implementation of official language by Ashirvad Sahitya Sansthan, Mumbai.

OPERATIONAL RESULTS

Thal Unit

During the year, the unit produced 17.74 lakh MT of Urea compared to 18.42 lakh MT produced during the previous year In terms of nutrients in the fertilisers, the unit produced 8.16 lakh MT of N during the year, compared to 8.47 lakh MT during previous year.

Trombay Unit

The Trombay Unit produced 2.91 lakh MT of Urea & 6.04 lakh MT of Suphala during the year compared to 3.35 lakh MT of Urea & 5.77 lakh MT of Suphala produced respectively during the previous year. During the year, the unit produced 0.26 lakh MT of Sulpur Coated Urea compared to 0.04 lakh MT produced during the previous year. In terms of Nutrient values, the unit produced 1.34 lakh MT of N, 0.91 lakh MT of P_2O_5 and 0.91 lakh MT of K_2O during the year compared to 2.41 lakh MT of N, 0.87 lakh MT of P_2O_5 and 0.87 lakh MT of K2O respectively during the previous year.

INDUSTRIAL PRODUCTS

Your Company produces industrial chemicals at both its units. During the year, your Company produced approx. 4.53 lakh MT of various major industrial chemical products as against approx. 5.08 lakh MT during the previous year. Your Company produces, amongst others, Ammonium Nitrate Melt, Ammonia, Ammonium Bicarbonate, Dilute Nitric Acid 58%, Conc. Nitric Acid 98%, Strong Nitric Acid,(72% & 68%), Strong Sulphuric Acid, Weak Supluric Acid, Phosphoric Acid 27%, MonoMethyl Amine, DieMethyl Amine, Tri-Methyl Amine, Di-Methyl Acetamide, Argon, Nitrogen, Refrigerant Grade Ammonia, Gypsum, Chalk etc.

MARKETING PERFORMANCE

FERTILIZER DIVISION

Your Company achieved sales volume of 36.76 lakh MT during the year 2024-25 as compared to 36.01 lakh MT during the previous year. Your Company sold 20.72 lakh MT of Urea, 6.39 lakh MT of Suphala 15:15:15, 0.36 lakh MT of City Compost/PDM/PROM/FOM and 9.20 lakh MT of other bought out products i.e. DAP, MOP, Imp NPK etc. As compared to 21.57 lakh MT of Urea, 5.60 lakh MT of Suphala 15:15:15, 0.25 lakh MT of City Compost/ PDM/PROM/FOM and 8.54 lakh MT of other bought out products i.e. DAP, MOP, Imp. NPK etc. during the previous year. The Total sale of manufactured fertilizers (Urea & NPK) during 2024-25 was 27.11 lakh MT as against 27.17 lakh MT during the previous year. Sales of fertilizer products registered increase of 2% over previous year.

Your company sold 9.20 LMT Imported products i.e. DAP, MOP and Imp NPK etc. as compared to 8.54 LMT during previous year. Sales of imported fertilizers registered growth of 8% over previous year.

The sale of Sujala & Microla picked up momentum during the year. Sujala sale registered growth of 91% touching 5,994 MTs during the year as against 3,136 MTs in the previous year. Microla sale registered growth of 43% touching 455 KL during the year as against 317 KL in the previous year. The sale of Biola touched 123 KL during the year as against 122 KL sold in the previous year. Other products such as pH balancer, Shubhada, Silica and OGS also registered healthy volumes during the year.

During the year, your Company has achieved the following milestones:

- ✓ Total fertilizer sales increased to 2% as compared to the previous year.
- ✓ Highest-ever sales of Suphala 15:15:15, reaching 6.39 Lakh Metric Tonnes (LMT), marking a 14% increase over the previous year's volume of 5.60 LMT.
- ✓ Highest-ever sales of imported DAP and TSP, totalling 5.89 LMT (comprising 5.64 LMT of DAP and 0.25 LMT of TSP), reflecting a 14% growth over previous year.

- ✓ Highest-ever Import products sale of 9.20 LMT and an increase of 8% over previous year.
- ✓ Achieved the highest-ever sale of Microla, reaching 455 KL, surpassing the previous record of 410 KL in 2021–22 and registering a 43% increase over the previous year.
- ✓ Sujala (F+D) sales increased by an impressive 91%, rising from 3,136 metric tonnes (MT) in the previous year to 5,994 MT in 2024–25.
- ✓ VAP products sale increased by 163 % from 4010.80 MT during 2023-24 to 10572 MT during 2024-25.
- ✓ Highest-ever PDM sale of 20,870 MT and increased by 68% (8470 MT) over previous year.
- ✓ PROM sale increased by 52 %, from 2618 MT (Tie up + Ind) in 2023-24 to 3,950 MT during 2024-25.
- ✓ Ever highest FOM sale of 5369 MT.

INDUSTRIAL PRODUCTS DIVISION

In the face of intense market competition & falling international prices, Industrial Products Division has achieved the net sales turnover of ₹ 1654.77 Crore as against ₹1708.65 Crore during the previous year. During the year, your Company has achieved the following:

1. Highest ever sale of AN melt of 2,11,781 MT.
2. Highest ever sale of Di-methyl Amine of 23,041 MT.
3. Highest ever sale of Sulphuric Acid of 42,809 MT.
4. Highest ever sale of Refrigerant Ammonia of 1,105 MT.

Taking into consideration the requirement of coal industry, in addition to existing production capacity of 1.90 Lakhs MT per annum, a new AN Melt plant with capacity of 1.40 Lakhs MT per annum has started. Also new 100 MTPD liquid CO2 plant at Trombay is in process. Sale of high volume products like Ammonia, Ammonium Nitrate (Melt) & DNA will facilitate improvement in turnover as well as profitability. Maximizing sale of CNA98%, SNA 72% & 68% will also support in improving Profitability. IPD is also planning to enter in Agrochemical business which is a booming industry.

EXPORTS

Considering the indigenous demand, the scope for export is very limited. However, your Company successfully popularized its Ammonium Bicarbonate (ABC) brand in the overseas market through third party export. During financial year 2024-25, your Company has done third party export of 480 MT Ammonium Bicarbonate (ABC) under "MRUDULA" brand to the tune of ₹107.26 lakh as against 384 MT Ammonium Bicarbonate (ABC) to the tune of ₹ 78.22 lakh during the previous year.

IMPORT OF UREA ON GOVERNMENT ACCOUNT

- Your Company is designated as State Trading Enterprise (STE) since October, 2019 for Import of Urea on Government Account. Based on the instructions of Department of Fertilizers (DoF), RCF has imported approx. 11.54 lakh MT quantity of Urea through issue of total Two (2) Global tenders during the year 2024-25.
- DOF had also assigned RCF the responsibility for execution of Urea imports under Long term Agreement (LTA) between M/s. OQ Trading & Govt. of India (DOF) w.e.f. February 2022 onwards for a period of 3 years (until January 2025), for a Quantity of 10 lakh MT +/- 10% per annum on FOB basis. Accordingly during FY 2024-25, fourteen (14) Urea shipments have been shipped from OQ Trading Ltd. under this LTA, with a total quantity of approx. 6.78 Lakh MT.
- An MOU was signed between Govt. of India & Govt. of Nepal on 28.02.22, wherein it has been decided that Govt. of India will supply Urea & DAP (Fertilizers) to Nepal for next five years period under the G2G Agreement. Further RCF has been nominated as the State Trading Enterprise (STE) by DOF for execution of this MOU on behalf of Govt. of India and accordingly based on this MOU a separate financial Agreement was signed on 18.07.22 by RCF & M/s. Krishi Samagri Company Limited (KSCL)-Nepal who is the nominated agency by Govt. of Nepal. Under this agreement and as per the initial requirement provided by M/s. KSCL-Nepal, 25,000 MT Bagged DAP have been delivered to three designated warehouses in Nepal during FY-2024-25.

ATMANIRBHAR BHARAT

Under 'Atmanirbhar Bharat Abhiyan', following initiatives are taken by your Company:

- **Production from New AN Melt Plant:**

  In order, to meet the growing power need of the country, enhancement in domestic production of AN melt which is used for coal mining is very important.

  During the year, your Company has successfully commissioned New AN Melt Plant of 425 MT per day capacity at RCF Trombay unit with latest energy efficient technology. The additional production from this AN melt project shall be substituting the existing imports, leading to improved availability of Coal to the power plants and hence in turn shall help in ensuring power security for the country.

- **Setting up Liquid Nano Urea plant:**

  Your Company has successfully commissioned new liquid Nano Urea Plant of 75 KL per day capacity at Trombay Unit in February 2025.

- **Sulphur Coated Urea (Urea Gold)**

  Your Company has developed the technology for producing Urea Gold indigenously and this will help to produce affordable Sulphur carrying fertilizers so as to reduce import dependency.. 'Urea Gold' is a sulphur coated urea, a slow release fertilizer. It has Nitrogen 37% and Sulphur 17%. It supplies the much required sulphur – secondary nutrient, along with Nitrogen from Urea. Sulphur is an important secondary nutrient for enhancing crop yield and crop quality which is more so for oil seeds and pulses. During the year, the unit produced 0.26 lakh MT of Sulpur Coated Urea compared to 0.04 lakh MT produced during the previous year.

- **Briquette Fired Boiler in Chemical Group of Plants (CGP) at RCF Thal**

  Your Company is setting up Briquette Fired Boiler at RCF Thal at an estimated project Capital Cost is Rs 26.75 Crore plus taxes. The low cost steam shall help in reducing the variable cost of chemicals. Briquette (Bio-Mass) or 'White Coal' is made-up from agriculture and forest natural waste. It can be efficiently used to replace fossil fuel. Use of Briquettes for steam generation will reduce the Green House Gas (GHG) emissions. The project has been commissioned in May 2025.

- **PROM : Phosphate Rich Organic Manure**

  RCF PROM is an important alternative to nutrients for organic and conventional farming, which is prepared by processing a balanced mixture of organic residues, rock phosphate, oil cake, amino acids, humic acids and beneficial micro-organisms. It contains 8-10% phosphorus (P2O5) and organic carbon. The phosphorus PROM is an organic alternative to expensive synthetic phosphatic fertilizers, which enriches the soil with phosphorus and other nutrients and keeps it soft for a long time. During the financial year 2024-25 , a quantity of 3950 MT was sold to the farming community.

- **Setting up new NPK Fertilizer plant at Thal:**

  In order to increase domestic supply of DAP/NPK fertilizers, your Company has commenced setting up NPK Fertilizer plant of 1200 MTPD (in terms of DAP) at Thal. Project is expected to be completed by March 2027.

- **Optimizing production of Industrial Chemicals:**

  Your Company is manufacturing various Industrial Chemical products having high brand values. Plants manufacturing industrial chemical products like Ammonium Nitrate, Ammonium Bicarbonate, Nitric Acid, Concentrated Nitric acid and Sulphuric acid are operated at optimum level to meet the market demand.

AGRICULTURE EXTENSION ACTIVITIES

RCF has undertaken several agriculture extension activities so as to educate the farmers on efficient use of agro-inputs and provided know-how on improved and scientific methods of cultivation contributing to increase in their farm yield. Some of the services so undertaken during the year are as under:

- ✓ **Soil Sample Analysis:** 35,234 number of NPK and 12,461 number of Micro-nutrient analysis have been done and Soil Health Cards distributed.
- ✓ **Farmer Training Centre**s are operational at Thal and Nagpur for imparting residential training to farmers. A total of 28 programs were undertaken benefitting 847 farmers during the year.
- ✓ **RCF Kisan Care Toll Free service 1800-22-3044** was operated for imparting Agricultural information to the farming community.
- ✓ **RCF Customer Care No. 022 25523044** is operational for guiding & resolving queries regarding RCF Products.
- ✓ **RCF Sheti Patrika:** 7.20 lakh copies of RCF Sheti Patrika (Marathi edition) covering the relevant subjects pertaining to Agriculture and allied fields were monthly printed & distributed to farmers.
- ✓ **e-magazine of RCF Sheti Patika (Hindi edition) is published quarterly**.
- ✓ **Social Media:** Information has been shared through social media (WhatsApp, Facebook, Twitter, Instagram and You Tube) with handle @rcfkisanmanch.
- ✓ **Agricultural Extension Services:** 285 Field Demonstrations, 138 Soil Testing Days, 452 Farmers' Meetings, 18 Krishi Melas, 6 Veterinary Camp/Rural Sports, 23 Exhibitions, etc. were organized for the benefit of the farmers.
- ✓ **Adoption of Villages for Promotion of City Compost/ Biofertilizer/ PDM/PROM/Nano Urea, etc:** 10 villages from Maharashtra & Karnataka were selected for promotion of City Compost/ Biofertilizer/ PDM/ PROM/Nano Urea, etc.
- ✓ **Promotion of PROM, PDM, FOM, LFOM & other Organic Fertilizer under PM-PRANAM Scheme:** RCF had conducted farmers meeting, farmers training, demonstrations etc to create awareness & educate farmers regarding benefits & usage of PROM, PDM, FOM, LFOM & other Organic Fertilizers.
- ✓ RCF has established **620 Pradhan Mantri Kisan Samrudhi Kendra (PMKSK)** on Pan India Basis during the year 2024-25. **Total 12691 PMKSK's were established**. These PMKSK are unique initiative to support the farmers as a one stop solution.

- ✓ **Development of Drone Hubs:** PMKSKs situated nearest to Drone Didis have been converted into Drone Hubs to support Drone Didis and to provide one-stop-shop for all Drone-related queries and requirements. 30 Drone Hubs were developed in Maharashtra, Karnataka, Andhra Pradesh, Telangana & Uttar Pradesh.

- ✓ RCF is organizing Broadcasting of Farming related **Community Radio Programs, "Samrudha Shetitun Vikasit Bharat" through Five Community Radio Stations in Maharashtra** since Dec-2023 for the Purpose of information dissemination, education and communication. Department of Fertilizers intends to create awareness about various programs and scheme of Department of Fertilizers viz. PM- PRANAM, balanced use of fertilizers, nutrient management etc. So far, more than 900 Community Radio programs were broadcasted.

MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year 2024-25 and to the date of this report.

RISK MANAGEMENT

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has framed a Risk Management Policy for risk assessment and minimization procedures. The Risk Management Policy developed with the objective of having a balanced approach towards business plan and mitigating the associated risks, is in place. The system identifies better management practices to ensure greater degree of confidence amongst various stakeholders and facilitates good Corporate Governance practice. All risks associated with Operations, Environment, Finance, Marketing, Human Resource, Legal, Information Technology Security, Projects etc., are continuously monitored. The degree of impact of the perceived risks is further graded into high, medium and low and the probability of the occurrence of each risk is also classified into Unlikely and Likely. In order to mitigate losses arising out of such perceived risks, appropriate procedures are being adopted to contain the risks. Also the practices adopted during emergencies, including the communication system and mode of disseminating information are periodically reviewed and updated to minimize the impact on the Company. Quarterly report in respect of the same is presented to the Board.

The Board of Directors had constituted Risk Management Committee to identify elements of risk in different areas of operations and to develop policy for actions associated to mitigate the risks. The Committee on timely basis informs the Board of Directors about risk assessment and minimization procedures which in the opinion of the Committee may threaten the existence of the Company. The details of Risk Management Committee are included in the Corporate Governance Report.

MAJOR EXPANSION AND DIVERSIFICATIONS

The status of major projects undertaken by your Company is as under:

PROJECTS IMPLEMENTED

Your Company has successfully commissioned New AN Melt plant of 425 MT per day capacity and new Nano Urea Plant of 75 KL per day capacity at Trombay Unit in February 2025.

PROJECTS UNDER IMPLEMENTATION

Setting up new NPK Fertilizer plant at Thal

India is largely dependent upon Imported NPK nutrients to meet its domestic requirements. As an "Atmanirbhar Bharat" initiative, Your Company is setting up NPK Fertilizer plant having capacity of 1200 MTPD (DAP basis) at Thal. The plant would be capable of producing various grades of NPK fertilizer as per market requirements. Environment Clearance for the project is received from Ministry of Environment, Forest and Climate Change (MoEFCC) on 2nd January 2024. The work order for execution of the project on LSTK basis is awarded to M/s Larsen & Toubro Limited. The estimated Project Cost of the project is ₹1494.33 Crore including taxes. Project is expected to be completed by March 2027.

Ammonia Plant revamp (HTAs scheme) at Thal

Your Company is implementing energy schemes suggested by M/s Topsoe A/S – Technology supplier of Ammonia plant at Thal. Estimated Project Capital Cost is about ₹1308 Crore including taxes. The expected energy saving is 0.40 Gcal/MT of Ammonia at existing Ammonia production level and expected to be completed by July 2027.

ETP up-gradation at Thal:

Your Company is upgrading the existing Effluent Treatment Plant at Thal for treating 10,000 M3/day effluent to ensure the quality of treated effluent not only for meeting the statutory norms but also suitable for recycling the treated effluent as raw water.

Benefit of the project will be better environment management on sustained basis through recycling of treated effluent as a raw water. The project is being executed in two phases. The 1st phase has been partially commissioned on 19th January 2025 and treating 4000 M3 per day of effluent. In 2nd phase, balance effluent will be recycled, to achieve "Zero Effluent Discharge". Action for 2nd Phase has been initiated.

Briquette Fired Boiler in Chemical Group of Plants (CGP) at RCF Thal

Briquette (Bio-Mass) or 'White Coal' is made-up from agriculture and forest natural waste. It can be efficiently

used to replace fossil fuel. Use of Briquettes for steam generation will reduce the Green House Gas (GHG) emissions. Your Company has set up Briquette Fired Boiler at RCF Thal. The low-cost steam shall help in reducing the variable cost of chemicals. The project has been commissioned in May 2025.

JOINT VENTURE PROJECTS

Coal Based Fertilizer Plant at Talcher:

Your Company, along with Coal India Limited (CIL), Gas Authority of India Limited (GAIL) and Fertilizer Corporation of India Limited (FCIL), is setting-up a Coal Gasification based fertilizer complex, comprising of 2200 MTPD Ammonia plant and 3850 MTPD Urea plant, at FCIL, Talcher, Odisha. Land and certain facilities needed for the project are provided by FCIL. The project will utilize state-of-the-art Coal Gasification Technology from M/s Air Liquid Products (erstwhile M/s Shell Eastern). A joint venture company 'Talcher Fertilizers Limited' has been incorporated for setting-up and operating Coal Gasification based Fertilizer complex.

The project is of strategic importance for the country as it aims to make breakthrough for an alternative source of feedstock in the form of abundantly available coal from domestic sources in place of natural gas. Success of this project is expected to be a game changer and shall pave a way forward to the production of chemicals and fertilizers from coal leading to lesser Regasified Liquefied Natural Gas (RLNG) imports. It will also help in meeting much needed Urea production capacity for the eastern part of the Country.

The estimated Project capital cost is approx. ₹17080.69 Crore (±10%) (RCF share is ₹2169.67 Crore (±10%)). M/s Wuhuan Engineering from China has been engaged through competitive bidding as LSTK contractor for Coal Gasification and Ammonia/Urea packages of the project. The various site activities are in progress. The project is expected to be commissioned by December 2027.

SUBSIDIARY AND OTHER JOINT VENTURE COMPANIES

A separate statement containing the salient features of financial statements of all the joint ventures of your Company forms part of consolidated financial statements in compliance with Section 129 and other applicable provisions, if any, of the Companies Act, 2013. The financial statements of the joint ventures and related information are available for inspection by the members electronically up to the date of the Annual General Meeting (AGM) as required under Section 136 of the Companies Act, 2013. Any member seeking to inspect such documents are requested to write to the Company at investorcommunucations@rcfltd.com. The financial statements including the consolidated financial statements and all other documents required to be attached to this report have been uploaded on the website of your Company (www.rcfltd.com).

WHOLLY OWNED SUBSIDIARY

The Board of Directors at its meeting held on April 3, 2025 has accorded in-principle approval for formation of a Wholly Owned Subsidiary (WoS) in India, subject to approval of its administrative Ministry i.e. Ministry of Chemicals and Fertilizers, Department of Fertilizers, DIPAM, NITI Aayog, CCEA and/or other statutory authorities as may be required to operate in the domain of Organic and Innovative Inorganic Fertilizers.

JOINT VENTURE COMPANY

FACT-RCF Building Products Ltd. (FRBL), Kochi

Your Company has formed a Joint Venture Company with Fertilizers and Chemicals Travancore Limited (FACT) by incorporating FACT-RCF Building Products Ltd. to set up a Rapidwall project at Kochi. Both your Company and FACT have 50:50 equity holding in the Company. Production has been suspended owing to expected takeover of the Plant & Machinery by the ARC. National Company Law Tribunal (NCLT) proceedings have been initiated vide order dated 11th January, 2024 on FACT-RCF Building Products Limited (FRBL) and a Resolution Professional (RP) has been appointed in place in January, 2024.

Further, there is no impact on Company's financial statements, as the Company has made full provision of its investments/dues from FRBL in earlier years. Consequent to appointment of RP, the Board of FRBL stands superseded and the promoter Companies have lost the powers to exercise control of the Joint Venture and accordingly, the financials of FRBL is not consolidated.

Urvarak Videsh Limited (UVL)

Urvarak Videsh Limited (UVL) was incorporated on 18th July, 2008 as Special Purpose Vehicle (SPV) with equity participation of Rashtriya Chemicals and Fertilizers Limited(RCF), National Fertilizers Limited (NFL) and Krishak Bharti Co-operative Limited (KRIBHCO) with the object of setting up joint venture in India and abroad for manufacturing, mining, long term tie ups for Nitrogenous, Phosphatic and Potassic Fertilizers and fertilizer raw materials including exploring the possibility of making investments and rendering Consultancy services, etc. The company explored many alternatives to take up various projects but the same did not fructify due to want of funds as UVL business objective requires heavy capital investment. As the company could not take up any business, the Board of UVL has decided to declare the company as a Dormant company for the time being in terms of the provision of section 455 of the Companies Act, 2013 as the keeping the status of the company as active was not serving any purpose.

The Audited financial statements of UVL as at March 31, 2025 reported loss of ₹53,700/-, thus resulting in accumulated loss of ₹0.50 Crore.

Talcher Fertilizers Limited (TFL)

Your Company has formed a Joint Venture company, with Coal India Limited (CIL), GAIL (India) Limited (GAIL) and Fertilizer Corporation of India Limited (FCIL), with the name Talcher Fertilizers Limited for revival of FCIL's fertilizer unit at Talcher by establishing and operating coal gasification based fertilizer complex. Equity participation of RCF, CIL and GAIL is 31.85 % each and that of FCIL is 4.45% . The company is yet to start its operations.

During the year, your Company has infused ₹ 96.67 Crore in TFL in FY 2024-25.

The audited financial statements of the said Company as at March,31 2025 reported a profit of ₹ 2.47 Crore, thus resulting in accumulated loss to ₹ 29.53 Crore.

Consolidated Financial Statement

The Consolidated Financial Statement of your Company has been prepared by taking into consideration Joint Venture Companies i.e. Urvarak Videsh Limited and Talcher Fertilizers Limited.

National Company Law Tribunal (NCLT) proceedings have been initiated vide order dated 11th January, 2024 on FACT-RCF Building Products Limited (FRBL) a joint venture entity with a 50:50 partnership between the Company and Fertilizers and Chemicals Travancore (FACT) Limited and an Resolution Professional (RP) has been appointed in place in January, 2024. Further, there is no impact on Company's financial statements, as the Company has made full provision of its investments/dues from FRBL in earlier years. Consequent to appointment of RP, the Board of FRBL stands superseded and the promoter Companies have lost the powers to exercise control of the Joint Venture and accordingly, the financials of FRBL is not consolidated.

The Consolidated financial statements have been prepared under equity method along with Company's standalone financial statements.

SUMMARY OF FINANCIAL PERFORMANCE

₹Crore

Particulars	2024-25	2023-24
Total Income (Net)	17098.46	17146.74
Total Operating Expenses	16933.64	16466.69
Operational Profit	839.57	680.05
Depreciation/Impairment	262.76	233.10
Finance Cost	253.68	183.64
Share /(loss) of Associates/JVs	0.82	(2.46)
Profit/ (Loss) before Exceptional Item	**323.95**	**260.85**
Exceptional Item (income) / Expense	(4.37)	(40.32)
Profit/ (Loss) before Tax	**328.32**	**301.17**
Provision for Tax (including deferred Tax liability/ Asset)	85.87	75.89
Net Profit / (loss) after tax	**242.45**	**225.28**

RESEARCH AND DEVELOPMENT

Your Company has taken up several Research and Development (R & D) projects, some of which are for commercial scale design and engineering. They are as under:

Towards smart agriculture through Nano-fertilizer

DAP (Diammonium Phosphate- NPK 18:46:0) is a crucial fertilizer due to its high concentration of both nitrogen and phosphorus, essential for plant growth. It's widely used in agriculture to boost crop yields and improve overall plant health.

Nano-fertilizers, are being touted as a potential substitute for traditional fertilizers. Unlike conventional DAP, which is granular, Nano DAP is in liquid form, improving its efficiency and absorption by crops. Due to its nano-size (less than 100 nm), it has a higher surface area-to-volume ratio, making it more effective than traditional fertilizers.

Nano DAP is a technological innovation in the field of Agriculture. It provides Nitrogen (N 3 %) and Phosphorus (P 8 %) in Nano form to the crops. The Nano size of the nutrients enables better absorption and increases the nutrient use efficiency.

A large quantity of DAP fertilizer used in India in different crops. Thus, it is expected that if Nano-DAP fertilizer is found useful, then it can save huge quantities of DAP fertilizer consumed by different crops in India. It may also lead to the increased profits of the farmers growing these crops.

The R&D of your Company has developed the formulation and successfully tested at ICAR Agricultural Research Institutes and in house agricultural field. As per DBT guidelines, the toxicology studies of the product has been completed at Indian Institute of Toxicological Research (IITR), Lucknow. The report showed that the Nano DAP is safe to use in Agriculture and do not carry any toxicological effect on flora and fauna.

Central Fertilizer Committee (CFC) has approved for registration of this product in FCO (1985) in January 2025.

- **Granulated Micronutrient fertilizer**

  Micronutrients are the nutrients required by the plant in very small amount, however they are very essential for plant growth. There are 7 essential plant nutrient elements defined as micronutrients viz., Boron (B), Zinc (Zn), Manganese (Mn), Ferrous (Fe), Copper (Cu), Molybdenum (Mo), chlorine (Cl).

  SHUBHADA - Micronutrient Mixture Fertilizer contains various nutrients and controls physiological disorders and nutrient deficiencies. It promotes essential plant processes and growth, which translates into nutrient-rich food for animals and humans, improves absorption and utilization of other nutrients applied to the soil. It increases yield and ensures better quality.

Shubhada has been formulated in powder as well as granulated form and applied through soil.

- **Urea Ammonium Sulphate (liquid)**

  Urea Ammonium Sulphate (UAS) is a nitrogen-based fertilizer combining urea and ammonium sulphate, typically in a blend that provides both nitrogen (N) and sulphur (S)-essential nutrients for plant growth.

  It is a primary source of Nitrogen and Sulphur, enhances crop yield and improves Nitrogen Use Efficiency (NUE). This fertilizer is suitable for Cereals (wheat, rice, maize), Oilseeds (canola, sunflower), Pulses and legumes, Vegetables and fruit crops.

  The product has been produced on pilot scale and is being tested in Agricultural field for dose standardization and agronomic efficiency.

- **NPK 8:8:8 Liquid Fertilizer**

  NPK 8:8:8 is a balanced, water-soluble nutrient solution containing 8% Nitrogen (N), Phosphorus (P) & Potassium (K) which encourages lush foliage and vegetative growth, boosts root strength, flowering, and fruiting, enhances disease resistance, overall plant vigor, and drought tolerance. This is a general-purpose fertilizer, ideal for Sugarcane crop as per FCO (1985).

  This fertilizer provides balanced nutrition for most plants, having quick absorption (especially in liquid form), useful for foliar correction of mild deficiencies and great for regular maintenance or mixed gardens.

  The product is being tested at polyhouse and in an open agricultural field for its agronomic efficiency and impact on crop yield.

- **NFT: Grow with precision nutrition**

  The Nutrient Film Technique (NFT) is wonderful technology for growing shallow-rooted, lightweight, fast-growing plants and is an ideal way for everyone from beginners to experts. This system is similar to the flood and drain set-up, but differs in that the water-nutrient solution flows around the reservoir and growing tray in a continuous loop, rather than with timed breaks.

  Polyhouse comprising of NFT and Dutch bucket system on around one acre area has been constructed inside the factory at Trombay unit. The facility is being used for testing all liquid fertilizer on exotic crops viz., Dianthus, Kale, Swiss chard, Italian basil, Opal Basil, Spinach, Amaranthus, Thyme, Lettuce etc.

- **Nutrient dispersion, crop expansion**

  Suspension fertilizer consist of insoluble solid active ingredients dispersed (normally at high concentration) in water. Suspension fertilizers can hold significantly higher concentrations of nutrients than clear liquid fertilizers, making them more efficient for both application and transportation.

  Suspension fertilizers combine the advantages of liquid and solid fertilizers and also have unique features that make them superior to each of them. They are superior to liquid fertilizers because they contain higher concentrations of active substances and nutrients.

  In this regard, R&D is setting up a new pilot plant for formulations of various suspension fertilizers viz., NPK 10:10:10, Calcium Nitrate with Magnesium, NPK 11:11:8 fortified with Zinc & Boron, Fortified NPK (8:8:8), liquid fortified calcium suspension, etc with the changing agricultural scenario and innovations in the fertilizer application methodologies , suspension fertiliser are envisaged to revolutionize agriculture.

ENVIRONMENT MANAGEMENT AND POLLUTION CONTROL

Your Company is committed to ensuring clean environment, beyond satisfying all stipulated requirements laid down by the statutory authorities, meeting the expectation of stake holders around its operating units.

Your Company is committed to sustainable industrial practices, ensuring minimal environmental impact through robust pollution control measures and efficient resource management through:

- Air Pollution Control
- Water Management and Effluent Treatment
- Waste Management
- Noise Pollution Control
- Green Initiatives
- Compliance and Monitoring

Your Company has established ISO 14001 compliant Environment Management System (EMS) along with Safety Management System (ISO 45001), Quality Management System (ISO 9001), and Energy Management System (ISO 50001). Certification for IFA Protect & Sustain Product Stewardship System of international standard for Safety, environment and product security at its both the manufacturing units. The Management Systems are constantly upgraded, periodic audits and Management Review conducted to ensure compliance and continual improvement. Apart from Stack monitors, which continuously monitor the emissions, four fixed ambient air quality monitoring stations are in place, at both Trombay and Thal, to monitor ammonia, NOx, SO2, Particulate matter (PM10 & PM2.5) & metrological parameters. These monitoring units are connected to MPCB and CPCB servers for continuous monitoring online data of air quality, effluent parameters. At both unit, third party

monitoring for stack, ambient air quality (Dust, Ammonia, NOx, SO2) and ETP overflow (as per consent parameters) is being done by MoEFCC approved laboratory once in a month. As you are aware RCF uses clean fuel to reduce the Green House Gas emission, efforts are taken to minimize emissions with Reduce, Recycle & Reuse schemes.

The Effluent Treatment plants (ETP) at Trombay and Thal unit have ensured that the environment in and around the operating units are fully protected. Environmental safety of neighbors around operating units are taken care. Various schemes with state of the art technologies and modernization schemes are implanted to reduce energy consumption and wastages. As a proactive measure, RCF Trombay unit has two nos. of Sewage treatment Plants to treat sewage of Mumbai city & use the purified water after treatment for industrial purpose, thereby saving equivalent quantity of potable water for consumption by Mumbaikars.

At Trombay unit, Sludge generated in Effluent Treatment Plant, Sulphur Sludge Generated in Sulphuric Acid plant and waste streams of effluents from complex fertilizer plants are recycled back in the processes. 3- R strategy (Reduce, Reuse and Recycle) is employed by way of recycling the sludge generated in ETP, Sulphur sludge generated in Sulphuric Acid Plant is used in Suphala plant for recovery of nutrients.

At Thal Unit, the ETP Up gradation Project (Non-Ammonical section) PGTR was successfully completed on 19.01.2025. Ammonical section PGTR is expected to be completed by April 2025. After the completion of PGTR for the Non-Ammonical section in the ETP Upgradation project, the recycling of industrial effluent as raw water, using state-of-the-art technology, started. During March-2025, plant was able to produce 1,16,119 M3 of RO water. This RO water is recycled as raw water to the WTP plant. It reduced daily freshwater resource consumption and reduced boiler blowdown in ammonia plant due to reduced silica content in DM water.

NIT for ETP project has been floated, prebid meeting has been conducted and price bid has to be opened. The briquette boiler project is in full swing, which uses briquettes a carbon-neutral fuel for boiler feed. The Briquette boiler project mechanical completion is over and pre commissioning activities like loop checking are in progress.

Plastic Waste : RCF is registered as Brand Owners as per the Plastic Waste Management Rule – 2016 and Plastic Waste are being recycled by both the Units for last three years as per the MoEFCC norms.

Annual return of plastic waste has been submitted to CPCB EPR (Extended Producer Responsibility) online portal for Thal Unit (quantity of 5079 MT) and for Trombay unit (quantity of 3600 MT) for the year 2023-24 as per Plastic Waste Management Rule,2016.

The integrated Effluent Treatment Plant in both Units ensures that the effluent discharged from the factory meets the statutory requirements laid down by the State Pollution Control Board.

Trombay and Thal units have taken up a massive plantation drive in factory premises, in residential colony and surrounding areas.

For increasing awareness regarding environment and safety, public awareness campaign programmes are arranged by Trombay and Thal units by providing demonstrations to local youth, college and school students, housing societis, Panchayat offices, ladies club members and household members in the adjoining localities.

Resource Management: Trombay and Thal, Both the units have Commissioned GTG & HRSG unit for energy saving. RCF remains dedicated to implementing innovative environmental management practices and pollution control measures, ensuring sustainable industrial growth while safeguarding ecological balance.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

As part of its initiatives under "Corporate Social Responsibility', your Company has undertaken several projects in the areas of promoting health care, Nutrition, rural development, Women empowerment, Skill Development and education aimed for the benefit of needy and for general good of the society. These projects are in accordance with Schedule VII of the Companies Act, 2013 and the Company's CSR Policy.The report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014, is annexed as **Annexure – I**, and forms an integral part of this report. During the year, your Company has spent ₹16.15 Crore on CSR activities. The activities, in brief, are as under:

The key activities in brief, are as under:

Supply of drinking water to the villages

For the past 25 years, your Company has been providing drinking water to seven villages surrounding its Thal unit through pipelines laid from the unit's water reservoir. This initiative benefits over 20,000 residents across the villages of Thal, Navgaon, Vaishet, Tudal, Boris-Gunjis, and Bhal, all of which fall under the jurisdiction of the Thal factory. The drinking water supply is made possible through the infrastructure established by your Company, and the water charges billed by MIDC are fully borne by the Company.

Mid-day-Meal to school

Under this CSR Initiative , your Company has providing free Midday Meal at schools in and around Chembur to non-aided schools to cater to the nutritional need of the under-privileged school children.

Mobile Medical Van at Thal & Trombay

Your Company is providing free health checkup and distribution of free medicines to the patients in the vicinity of Chembur and Thal area. Total three Mobile Medical Unit (MMU) has been appointed by your Company in which one van deputed in Chembur area and remaining two in Thal Area.

Supply of Saplings, seeds to farmers

Your Company supports sustainable agriculture by supplying saplings and seeds to farmers in nearby rural areas. This initiative aims to promote environmentally friendly farming practices, enhance crop productivity, and improve the livelihoods of local farmers.

Sponsorship for Construction of New Hospital Building:

Your Company has financially supported Lions Health Foundation for construction of new hospital under CSR budget. Lions Health Foundation, Alibag is the registered NGO working in the field of health care in the rural area of Raigad district.

Installation of Air Purification system in Chembur

As part of RCF's commitment to environmental sustainability under its CSR initiatives, your Company has installed an air purification system in Chembur. This initiative aims to improve air quality and promote a healthier living environment for the local community. By addressing urban pollution, your Company continues to contribute to the well-being of residents and support cleaner, greener public spaces.

Training Social Workers to Assist Survivors of Domestic Violence under CSR

Your Company has extended financial support for capacity-building programs aimed at training social workers to effectively assist survivors of domestic violence. Additionally, your Company has funded the printing of Information, Communication, and Education (ICE) materials to raise public awareness about domestic violence and related support mechanisms. These efforts are part of RCF's commitment to social welfare and empowerment, especially in supporting vulnerable sections of society.

Medical Camps Chembur, Mumbai

Your Company has undertaken several health and sanitation-focused projects to improve community well-being via Chandra Sundra Trust is a registered NGO working in the field of Healthcare, Women Empowerment, education is the surrounding area of Chembur, Mumbai.

Free Medical Camps with Spectacle Distribution at Chembur: Your Company organized free medical camps that included health check-ups and the distribution of spectacles to those in need, ensuring access to basic healthcare services for underserved populations.

Toilet Construction in Schools (Kolhapur and Palghar): To promote hygiene and support school infrastructure, Your Company funded the construction of toilet blocks in schools located in Kolhapur and Palghar, aiming to provide students-especially girls-with a safe and sanitary environment.

Cancer Check-up and Blood Donation Camps at Chembur: Your Company conducted cancer screening and blood donation camps to promote early detection, raise health awareness, and support blood banks with much-needed donations.

CSR Support for Construction of Community Hall Entrance at Vashi Village, Chembur:

Your Company supported the construction of the main entrance of the Community Hall at Vashi Gram Seva Mandal in Vashi Village, Chembur. This contribution aims to enhance the infrastructure of a key community facility, which serves as a hub for social, cultural, and developmental activities. RCF's support reflects its commitment to strengthening community spaces and promoting inclusive development at the grassroots level.

Construction of Mental Health Rehabilitation Facility at Kanyakumari District, Tamil Nadu –

As part of your Company's CSR initiatives in the area of healthcare and social welfare, your Company supported Central for Human Resource and Rural Development Programs (CHARDEPC) for the construction of a rehabilitation centre for cured mentally ill persons at Achankulam, Potrayadi in Kanyakumari District, Tamil Nadu. This facility is aimed at providing a safe and supportive environment for reintegration, recovery, and skill development, helping beneficiaries lead a dignified and independent life.

Improving Sanitation Facilities for Children at Nivara Balgruh

As part of your Company's your Company CSR initiatives focused on sanitation and child welfare, your Company supported the construction of toilet facilities at Nivara Balgruh, Jamkhed, in Ahmednagar District. This project was implemented in collaboration with the NGO Gramin Vikas Kendra. The initiative aims to provide a clean and hygienic environment for the children residing at the shelter, thereby promoting their health.

Financial Assistance for Essential Medical Equipment for Needy Patients in Raigad

As part of your Company's CSR initiatives in the healthcare sector, your Company extended financial assistance through RSS Janakalyan Samiti for the procurement of essential medical equipment, including hospital beds, walkers, wheelchairs, commode chairs, walking sticks, air beds, and oxygen concentrators. This initiative aims to support needy patients across Raigad District by improving access to critical medical aids and enhancing

the quality of care, especially for the elderly, differently-abled, and chronically ill individuals.

Livelihood Support for Fisherwomen through Fish Preservation Equipment

As part of your Company's CSR initiatives focused on livelihood enhancement and women empowerment, your Company supported the procurement of 60-litre capacity ice boxes for the Machhimar Societies of Thal and Navgaon in Alibaug, Raigad District. These ice boxes were distributed to women fish sellers to aid in the hygienic preservation of fish during transportation and sale. The initiative aims to improve product quality, reduce spoilage, and support the economic stability of women engaged in the fishing trade.

Installation of Water Purifier Plant for Students

As part of your Company's CSR initiatives focused on health, hygiene, and education, your Company provided financial assistance for the procurement and installation of a water purifier plant for the students of PNP Education Society, Alibaug. This initiative was implemented through Prabhakar Patil Education Society and aims to ensure access to clean and safe drinking water for students, thereby promoting better health, reducing water-borne illnesses, and supporting a conducive learning environment.

Promoting Green Energy in Education at Chondhi, Kihim, Alibaug

As part of your Company's CSR initiatives promoting renewable energy and supporting education infrastructure, your Company provided financial assistance for the installation of a solar panel system for a school through Lokmanya Shikshan Prasarak Mandal. This initiative aims to ensure an uninterrupted power supply, reduce electricity costs, and encourage the use of sustainable energy sources in educational institutions, thereby creating a more conducive and eco-friendly learning environment for students.

Promoting Education for Marginalized Communities at dist. Ahmednagar

As part of your Company's CSR initiatives focused on educational empowerment, your Company provided financial assistance for a project aimed at the educational upliftment of SC/ST students through the Integrated Rural Development Centre (IRDC). This initiative seeks to improve access to quality education, provide necessary academic resources, and create opportunities for skill development to ensure a brighter future for students from marginalized communities.

Improving Access to Healthcare with Mobile Hospital Support

As part of your Company's CSR initiatives focused on healthcare and community support, your Company provided financial assistance for arranging medical check-ups and supporting a mobile hospital through Snehwan, Tal. Khed dist. Pune. This initiative aims to provide essential healthcare services to underserved and remote communities, ensuring access to medical consultations, diagnostics, and treatment for individuals who might otherwise lack such resources.

Supporting Women's Growth and Empowerment through the WINGS Project

As part of your Company's CSR initiatives focused on women empowerment, your Company provided financial assistance for the "WINGS" project through Badlore. This project aims to empower women by providing them with necessary skills, resources, and opportunities for personal and professional growth, helping them achieve economic independence and social well-being.

Promoting Health and Cleanliness: RCF Supports Gym and Waste Bins Procurement

As part of your Company's CSR initiatives aimed at promoting health and sanitation, your Company provided financial assistance for the procurement of gym equipment for four Gram panchayats in the Thal area. This initiative is intended to encourage fitness and well-being among the residents of these villages. Additionally, your Company supported the purchase of 200 waste bins for Kihim Grampanchayat to promote cleanliness and effective waste management in the region.

Strengthening Public Healthcare Infrastructure through CSR – Support to Dr. BAMH, Byculla

As part of your Company's CSR initiatives in the healthcare sector, your Company provided financial assistance for the purchase of medical equipment for Bharat Ratna Dr. Babasaheb Ambedkar Memorial Hospital (Dr. BAMH/BY), Byculla. This support aims to enhance the hospital's medical infrastructure and improve the quality of healthcare services.

Enhancing Rural Healthcare: Ambulance Support through NAAM Foundation across Maharashtra.

As part of your Company's CSR initiatives aimed at improving rural healthcare access, your Company provided financial assistance for the purchase of an ambulance through NAAM Foundation of rural areas of Maharashtra. This support is intended to enhance emergency medical services and ensure timely healthcare delivery to underserved communities.

Promoting Preventive Healthcare: RCF's Assistance for Medical Camp and Health Kits

As part of your Company's CSR initiatives in the healthcare sector, your Company provided financial assistance to Laxmi Charitable Trust for organizing general medical health check-up camps and distributing health kits at Raigad district. This initiative aims to promote preventive

healthcare and improve health awareness among underprivileged communities by offering free medical consultations and essential health supplies.

RCF Facilitates Advanced Skill Development for Nurses through Rugna Kalyan Samiti at Alibaug.

As part of your Company's CSR initiatives focused on skill development and healthcare, your Company provided financial assistance to Rugna Kalyan Samiti for conducting hi-tech training programs for nurses at the District Civil Hospital, Alibaug, dist. Raigad. This initiative is aimed at enhancing the clinical skills and technical knowledge of nursing staff, thereby improving the quality of patient care and strengthening the public healthcare system.

Financial Assistance for Training and Healthcare Equipment for Persons with Disabilities at Alibaug

As part of your Company's CSR initiatives focused on inclusivity and empowerment of persons with disabilities, your Company provided financial assistance to the National Association for the Blind (NAB) for conducting training programs for visually impaired individuals and procuring essential healthcare equipment. This initiative aims to enhance the self-reliance, employability, and overall well-being of differently-abled individuals by equipping them with practical skills and health support.

RCF Supports Practical Training for Youth through PM Internship Pilot Project

As part of your Company's commitment to youth development and skill enhancement under its CSR initiatives, your Company implemented the **Prime Minister Internship Scheme – Pilot Project**. This program aims to provide hands-on industry exposure and practical training to young graduates and students, equipping them with essential skills and experience to improve their employability and prepare them for future career opportunities.

RCF Funds Mobile Agricultural Health Unit through Mahatma Phule Krishi Vidyapeeth

As part of RCF's CSR initiatives supporting sustainable agriculture and farmer welfare, RCF provided financial assistance for the procurement of a 4-wheeler (Scorpio) equipped for use as a Mobile Sugarcane Crop Health Clinic. Implemented through Mahatma Phule Krishi Vidyapeeth, Rahuri (Government of Maharashtra), this project aims to deliver on-site diagnostics and expert guidance to sugarcane farmers, enabling timely identification of crop diseases and promoting best agricultural practices across rural regions of Maharashtra.

RCF Enhances Rural Education Infrastructure through Renovation Initiative

As part of your Company's CSR initiatives aimed at improving educational infrastructure in rural areas, your Company provided financial assistance to Child Dream's Social Foundation for the renovation and repair work of schools under Mhasla Nagar Panchayat in Raigad District. This initiative is focused on creating a safe, clean, and conducive learning environment for students, thereby enhancing the overall quality of education and student well-being in the region.

Financial Assistance for Rajawadi and Sion Hospitals through Rotary Club of Chembur

As part of your Company's ongoing commitment to enhancing healthcare facilities, your Company provided financial assistance through the Rotary Club of Chembur for the procurement of essential medical equipment. This includes an Autoclave Sterilizing Machine for Rajawadi Hospital, Mumbai; a Tabletop Pulse Oximeter and Red 97 Catalogue for Sion Hospital; and two units of Neonatal Intensive Care Incubators for Sion Hospital. These contributions aim to strengthen critical care infrastructure, improve patient monitoring, and enhance neonatal care services, thereby supporting better health outcomes for patients in Mumbai.

RCF Financial Assistance for Elderly Care at Sneh Savali Old Age Home at Chhatrapati Sambhaji Nagar.

As part of your Company's CSR initiatives focused on senior citizen welfare, your RCF provided financial assistance to Sneh Savali Care Centre in support of the **Sneh Savali Old Age Home**. This assistance aims to enhance the living conditions, healthcare, and overall well-being of elderly residents, ensuring they receive compassionate care and a dignified life.

RCF Funds Sanitation Facilities for Marathi School through Lions Club of Vasai

As part of your Company's CSR initiatives aimed at improving sanitation and hygiene in schools, your Company provided financial assistance to the Lions Club of Vasai for the construction of toilet blocks at a local Marathi school in Arnala, Virar. This initiative seeks to promote better health and hygiene practices among students, creating a safer and more hygienic learning environment.

RCF Assists Jagdamb Foundation in Women's Healthcare Initiative

As part of your Company's CSR initiatives focused on healthcare and women's welfare, your Company provided financial assistance to Jagdamb Foundation for delivering medical healthcare services to single women in Aurangabad District. This program aims to improve access to essential health services, promote wellness, and support the overall well-being of vulnerable women in the community.

RCF Funds Sanitation Infrastructure at Arts, Commerce, and Science College, Osmanabad

As part of your Company's CSR commitment to improving educational infrastructure and sanitation, your Company provided financial assistance to Vishvabharati

Bahuddeshiya Shikshan Sanshta for the construction of separate **toilet facilities for girls and boys** at the Arts, Commerce, and Science College in Osmanabad. This initiative aims to promote hygiene, privacy, and a conducive learning environment for students.

RCF Funds Capacity Building and Medical Supplies for ASHA Workers

As part of your Company's CSR initiatives to strengthen community healthcare, your Company provided financial assistance to Kshitij Multipurpose Association for the procurement of medical equipment and the training of ASHA workers. This support aims to enhance the capacity of frontline health workers to deliver quality healthcare services in underserved areas, thereby improving health outcomes in the community.

Enhancing Critical Care Services: Financial Assistance for Cardiac Ambulance

As part of RCF's CSR initiatives to enhance emergency healthcare services, RCF provided financial assistance to Surajya Samajik Pratishthan for the purchase of a cardiac ambulance. This support aims to improve timely medical response and transportation for cardiac patients, thereby saving lives and strengthening critical care infrastructure in the community.

Promoting Menstrual Hygiene and Sustainability among Women and Girls

As part of your Company's CSR initiatives focused on women's health and hygiene, your Company provided financial assistance to the Centre for Transforming India to conduct awareness camps on menstrual hygiene for women and girls. This program also includes the distribution of menstrual cups to promote sustainable and hygienic menstrual practices, empowering women and girls in the community.

Enhancing Community Infrastructure through CSR: Toilet Renovation in Chembur

As part of your Company's CSR initiatives to improve community infrastructure, your Company provided financial assistance to The Fine Arts Society for the renovation of toilet facilities at their premises in Chembur, Mumbai. This support aims to enhance sanitation and hygiene for members and visitors, contributing to a healthier and more comfortable environment.

Enhancing Patient Care with NI-KSHAY Web-Based Management

As part of your Company's CSR initiatives to strengthen healthcare technology and patient management, your Company provided financial assistance for the implementation of the **NI-KSHAY web-enabled patient management system**. This system enhances the tracking, monitoring, and management of patients, improving healthcare delivery and outcomes.

RCF Funds Repair and Renovation of Schools through Child Dream's Social Foundation

As part of your Company's CSR initiatives to improve educational infrastructure, your Company provided financial assistance through Child Dream's Social Foundation for the renovation and repair of schools under the Mhasla Nagar Panchayat in Raigad district. This project aims to create a better learning environment for students by upgrading school facilities.

EFFECTIVE IMPLEMENTATION OF PUBLIC PROCUREMENT POLICY FOR MICRO AND SMALL ENTERPRISES (MSEs)

Government of India, Ministry of Micro, Small and Medium Enterprises, vide order dated 23rd March 2012, notified the public procurement policy in respect of procurement of goods and services produced and provided by Micro, Small and Medium Enterprises and further amended it on 9th November 2018 vide Govt. of India Gazette Notification S.O. 5670(E) dated 9th November, 2018.

With amendment in Public procurement policy for Micro & Small Enterprises (MSEs) order, 2012 vide GoI Gazette Notification S.O. 5670(E) dated 9th November 2018, the percentage target of procurement of goods and services by Govt. Departments/CPSEs from MSEs is increased from 20% to at least 25% along with the provision of minimum 3% reservation for Women owned MSEs and 4 % reservation for SC/ST owned MSEs, within this 25% reservation. This amendment is made applicable from 9th November 2018.

Further, in the meeting held on 22nd June 2021 under the Chairmanship of Additional Secretary & Development Commissioner (MSME), the committee considered the proposal for exemption for the items which are beyond the scope of MSEs with minimum target of 40% from MSEs for all non-exempted items from FY 2021-22 onwards.

During the fiscal year 2024-25, the percentage of goods and services procured from MSEs at both the Trombay and Thal units is 55.03% (₹854.24 Crore) of the total procurement cost of ₹1552.3 Crore, against target of 40%. The total procurement is calculated excluding Raw materials, gas, water, electricity, catalyst and proprietary items which cannot be procured from MSEs. For procurements from women-owned MSEs, the percentage achieved is 0.57% (₹8.79 Crore) of the total procurement. Procurements from MSEs owned by SC/ST entrepreneurs is 0.36% (₹5.56 Crore) of the total procurement. While the overall procurement target from MSEs has been pursued diligently, the achievement of sub-targets for procurement from women and SC/ST-owned MSEs remains contingent on their level of participation in tenders, fulfilment of prequalification criteria, competitiveness of quoted prices, and adherence to tender terms and conditions. These factors have posed challenges in fully meeting the sub-targets despite best efforts by the Company.

SUSTAINABLE DEVELOPMENT

Your Company has taken up several Sustainable development activities including the following:

New Sewage Treatment plant

Your Company is running Two Sewage Treatment Plants (STPs) at Trombay Unit with each plant having capacity to treat around 22.75 Million Litres per Day (MLD) of sewage received from MCGM which otherwise would have been drained in to the sea after preliminary treatment. The STP plants treat waste sewage generated in the city and convert it into treated water. Both plants together generate about 30 MLD of treated water which is being used in our plants as process water.

A portion of treated water generated (about 6 MLD) is supplied to M/s BPCL. Both STP plants of Your Company are of great value to residents of Mumbai and Society at large besides improving reliability of operations of RCF Trombay Unit. During the year 2024-25, about 7983 Million litres of treated water was generated at both STP plants.

Your Company has signed MoU with M/s BPCL on 14th January 2025 for supply of additional 2 MLD of treated water from RCF STP to BPCL Mumbai Refinery. Your Company has also signed MoU with M/s HPCL on 31st January 2025 for supply of 4 MLD treated water from RCF STP to HPCL Mumbai Refinery.

Solar Power Plant

As part of achieving ecologically sustainable growth, Your Company has forayed into solar power generation. Your Company has set up a 2.03 MWp ground mounted Photovoltaic Solar power plant in Trombay Unit. In addition to this, Your Company has commissioned solar rooftop facilities at Thal and Trombay with an aggregate capacity of 2.15 MWp. The power generated is used for captive consumption, thereby reducing your Company's power import to the equivalent extent.

The green power generated by solar plants replaces the conventional power generated through burning of fossil fuels leading to reduction in overall Greenhouse gas emissions.

At RCF, during the year 2024-25, 4745 MWh of solar power was generated. Also, during the year 2024-25, 2431 no. of Solar Renewable Energy Certificates (RECs) were generated.

VIGILANCE

Dr. Rahul S. Jagtap from Indian Statistical Service heads the Vigilance Department as Chief Vigilance Officer (CVO) w.e.f. March 30, 2024. The CVO leads a team of Vigilance Officers who are drawn from various functional departments of RCF and posted in the Vigilance department at the Mumbai Corporate office and Thal Unit, Alibag. The Vigilance Department is committed to bringing greater transparency, fairness, and efficiency in all types of transactions and the execution of works in the company, in line with the guidelines of the Central Vigilance Commission (CVC). With the preventive vigilance objectives of being watchful and alert, regular watch is being kept on various activities of finance, personnel, operation, marketing, material, and contracts etc., in the location of Corporate Office Trombay Unit, Thal Unit and Marketing offices situated across the country. The Vigilance Department collects intelligence about the corrupt practices committed or likely to be committed by the employees and carries out investigations on the allegations reported. From April, 2024 to March, 2025, the Vigilance Department has processed 45 number of complaints. Systemic improvements and corrective actions are suggested wherever necessary. The Online Vigilance Complaints Management System (VCMS) is also being used for receiving complaints. The Online Vigilance Clearance System (OVCS) is being used for processing speedy Vigilance Clearances/Status of the employees for foreign visits, promotion, superannuation, PSU, and government job applications and resignation. The Vigilance Department has always emphasized spreading awareness about rules/regulations, procedures and solicited information as well as complaints from all regarding any malpractices or corruption. Besides, carrying out such awareness through the online and offline preventive vigilance training programmes for Management trainees, junior, middle, senior level Managers, Vigilance team has given thrust on inculcating the importance of ethics and integrity among the employees and always encouraged them to follow the ideology "All officer are Vigilance Officers and to implement various directives of CVC."

As per CVC's circular No.08/08/24 dt. 01.08.2024, three month's Precursor campaign on preventive vigilance cum housekeeping activities was taken up and successfully completed during the period from 16th August to 15th November, 2024 as a prelude to Vigilance Awareness Week 2024 with focus areas like; Capacity Building Programs (Preventive Vigilance training Programmes were conducted for all Officers including management trainees covering topics like CDA Rules, Contract Management and Vigilance, Vigilance Scrutiny Observations and Annual Property Return, Public Procurements, Ethics and Governance, Systems and Procedure of organization, Cyber Hygiene and Security), Identification and implementation of systemic improvement measures, Dynamic Digital Presence, Updation of Circulars/Guidelines/ Manuals, Disposal of complaints received before June 30, 2024. The Vigilance department focused on leveraging technology for enhanced real-time monitoring, data analysis, and rapid response, ensuring proactive security and safety measures. The new areas suggested were a portal for the compilation of Quarterly Progress Report on high value contracts for CTE of CVC, Disciplinary Proceeding Portal and portal for non-officers to avail interest subsidy from RCF on House and Building Loan. The existing Online Vigilance Clearance System (OVCS) and Annual Property Return System was also modified to bring more transparency and increase efficiency. Vigilance Awareness

Week-2024 on the theme "Culture of Integrity for Nation's Prosperity" based on the CVC circular 08/08/2024 dated 01.08.2024, was observed from October 28 to November 3, 2024 in RCF Trombay unit, Thal unit, and Marketing offices across the country. During this week, the activities received overwhelming response and participation from stakeholders in various activities such as taking integrity pledge, Slogan, Elocution, Poster Online Quiz, Street Play etc. competitions for RCF employees; Essay, Poster competition for school going students; Online Quiz competition for Fertilizer dealers, IPD dealers, Farmers and for other stakeholders, Gram Sabha, Walkathon. A sensitization seminar was also arranged on the theme of VAW-2024. Social media platforms like Twitter, WhatsApp, and Email/ SMS were extensively used for spreading awareness among the stakeholders and citizens about the activities of the abovesaid precursor campaign and Vigilance Awareness Week.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis report for the year under regulations 34(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, highlighting the industry structure and developments, opportunities and threats, future outlook, risk and concerns etc. is annexed as **Annexure II** and form an integral part of this report.

PUBLIC DEPOSIT

Your Company has not accepted any deposits, within the meaning of section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

OFFICIAL LANGUAGE POLICY AND INITIATIVES

Your Company has fully endeavoured to implement the provisions of Official Language Act, 1963 and the policy of the Government. Publicity material and literature for employees and farmers are made available in Hindi and other regional languages.

With a view to promote Hindi in office work and as per the direction of the Ministry of Chemicals and Fertilizers, Department of Fertilizers, Hindi Pakhwada was celebrated from 14th to 28th September, 2024. On this occasion, various competitions and kavi sammelan were organized for the employees. 'Marathi Bhasha Samvardhan Pandharvada' was celebrated from 14th to 28th January, 2025. During this period, various Marathi lectures, cultural programs and Marathi competitions were organized.

AUDITORS

a. STATUTORY AUDITORS AND THEIR REPORT

The Comptroller and Auditor General of India (CAG) has appointed, M/s K. Gopal Rao & Co. (Firm Registration Number 000956S) and M/s. Parakh & Co. (Firm Registration Number 001475C) as Joint Statutory Auditors of your Company for the financial year 2024-25. The Auditors would be retiring at the conclusion of the Forty Seventh Annual General Meeting.

There are no qualifications, reservations or adverse remarks made by Statutory Auditors, in their report.

The Statutory Auditors for the financial year 2025-26 will be appointed by the CAG. However, their remuneration is required to be fixed at the AGM by the members.

b. COST AUDITORS AND THEIR REPORT

Your Company is maintaining Cost Accounting Records as prescribed under the Companies (Cost Records and Audit) Rules, 2014, specified by the Central Government under Section 148(1) of the Companies Act, 2013.

Your Directors, on the recommendation of Audit Committee, has appointed M/s K.G. Goyal & Associates, Cost Accountants (FRN No.000024), as Cost Auditor to audit the cost accounts of the Company for the year 2025-26 on a remuneration of ₹ 2.80 lakh excluding applicable taxes. As required under the Companies Act, 2013, the remuneration payable to cost Auditor is required to be placed before the members in a general meeting for their ratification. Accordingly, a resolution seeking Members' approval for the remuneration payable M/s K.G. Goyal & Associates, Cost Auditor forms part of the notice convening the Annual General Meeting for their ratification.

The cost audit reports are filed with the Central Government in the prescribed form within the stipulated time. There are no qualifications in the Cost Audit Report by the Cost Auditors for FY 2023-24.

The Cost Audit Report for the financial year ended March 31, 2025 will be filed within the prescribed time period under the Companies (Cost Records & Audit) Rules, 2014.

c. SECRETARIAL AUDITOR AND THEIR REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Bhandari and Associates, a firm of Company Secretaries in Practice (C.P. No. 366) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed as **Annexure III** and forms an integral part of this Report.

Observations made by Secretarial Auditor

M/s. Bhandari and Associates, Practising Company Secretaries, Secretarial Auditor of the Company has made the following observations in their Secretarial Audit

Report:

a) i. As per Regulation 17(1)(a) of the Listing Regulations, board of directors shall have an optimum combination of executive and non-executive directors with at least one woman director and not less than fifty percent of the board of directors shall comprise of non-executive directors. The Company did not have requisite number of non- executive directors from November 05, 2024 to March 31, 2025.

ii. As per the proviso of Regulation 17(1)(a) of the Listing Regulations, the Board of directors of top 1000 listed entities shall have at least one independent woman director. The Company was in top 1000 listed entities on the basis of market capitalisation as at March 31, 2024 and the Company did not have an independent woman director on its Board from April 1, 2024 to March 31, 2025.

iii. As per Regulation 17(1)(b) of the Listing Regulations and DPE Guidelines, the Chairman being an Executive Director, at least half of the Board of Directors should be comprised of Independent Directors and as per section 149(4) of the Act at least one-third of the total number of Directors shall be Independent Directors. The Board of Directors comprised of six Directors, constituting of four Executive Directors (including the Chairman & Managing Director) and two Nominee Director (non-executive) as on March 31, 2025 and therefore, the Company did not have requisite number of Independent Directors from April 01, 2024 to March 31, 2025.

iv. As per Regulation 17(1)(c) of the Listing Regulations, the Board of Directors of the top 2000 listed entities shall comprise of not less than six directors. The Board of Directors comprised of five directors from November 05, 2024 to January 27, 2025 and therefore, the Company did not have at least six directors for the aforesaid period.

v. As per Regulation 17(2A) of the Listing Regulations, the quorum for every meeting of the board of directors of the top 2000 listed entities shall be one-third of its total strength or three directors, whichever is higher, including at least one independent director. There was no Independent Director present in the Board meetings held on November 13, 2024, February 12, 2025 and March 17, 2025 and hence, requisite quorum was not present in the aforesaid Board meetings.

b) i. As per Regulation 18(1)(b) of the Listing Regulations and DPE Guidelines, at least two-thirds of the directors shall be independent directors and as per section 177 of the Act, the Audit Committee shall consist of a minimum of three directors with independent directors forming a majority. The Audit Committee did not have requisite number of Independent Directors from April 01, 2024 to March 31, 2025.

ii. As per Regulation 18(1)(d) of the Listing Regulations and DPE Guidelines, the chairperson of the audit committee shall be an independent director. The Audit Committee did not have an Independent Director as the Chairperson for the period from November 05, 2024 to March 31, 2025.

iii. As per Regulation 18(2)(b) of the Listing Regulations and DPE Guidelines, the quorum for Audit Committee meeting shall either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors. The requisite quorum was not present during the Audit Committee meetings held from April 01, 2024 to March 31, 2025.

c) i. As per Regulation 19(1)(b) of the Listing Regulations and DPE guidelines and as per section 178 of the Act, all the directors of the Nomination and Remuneration Committee shall be non-executive directors. The Nomination and Remuneration Committee comprised of Whole Time Directors from April 01, 2024 to March 31, 2025.

ii. As per Regulation 19(1)(c) of the Listing Regulations and DPE guidelines, atleast two-thirds of the directors shall be independent director and as per section 178 of the Act, not less than one-half of the directors shall be independent director. The Nomination and Remuneration Committee did not have requisite number of Independent Director from April 01, 2024 to March 31, 2025.

iii. As per Regulation 19(2) of the Listing Regulations and DPE Guidelines the Chairperson of the Nomination and Remuneration Committee shall be an independent director. The Nomination and Remuneration Committee of the Company did not have an Independent Director as the Chairperson for the period from November 05, 2024 to March 31, 2025.

iv. As per Regulation 19(2A) of the Listing Regulations, the quorum for Nomination Remuneration committee meeting shall either be two members or one third of the members of the Nomination and Remuneration Committee whichever is greater, with at least one independent director. No Independent director was present in the Nomination and Remuneration meetings held on February 12, 2025 and March 17, 2025. Hence, requisite

quorum was not present in the aforesaid Nomination and Remuneration Committee meetings.

d) i. As per Regulation 20(2) of the Listing Regulations and Section 178(5) of the Act, the chairperson of the Stakeholder Relationship Committee shall be a non-executive director. The Stakeholder Relationship Committee did not have chairperson as non-executive director from November 05, 2024 to March 31, 2025.

ii. As per Regulation 20(2A) of the Listing Regulations, the Stakeholder Relationship committee shall have at least three directors, with at least one being independent director. The Stakeholders and Relationship Committee did not have an Independent Director as a member from November 05, 2024 to March 31, 2025.

e) As per Regulation 21(2) of the Listing Regulations, the Risk Management Committee shall have minimum three members with majority of them being members of the board of directors, including at least one independent director. The risk Management Committee did not have an Independent Director as a member from November 05, 2024 to March 31, 2025.

f) As per Regulation 25(3) of the Listing Regulations, the Independent directors of the Company shall hold at least one meeting in a financial year, without the presence of non-independent directors and members of the management. The Company did not held meeting of Independent Directors from April 01, 2024 to March 31, 2025. Further, the Company has not conducted performance evaluation of the Board as prescribed in Regulation 25 (4) Listing Regulations.

g) As per Section 135(1) of the Act, the Corporate Social Responsibility committee shall consist of three or more directors, out of which at least one director shall be an independent director. The Corporate Social Responsibility committee of the Company did not have an Independent Director as a member for the period from November 05, 2024 to March 31, 2025.

Compan's response on observations made by Secretarial Auditors

The Company's response on observations made by Secretarial Auditors are as under :

a (i) to (iii) Being Government Company under the administrative control of the Department of Fertilizers, Ministry of Chemicals and Fertilizers, Govt. of India, the Directors of the your Company are appointed by the Government of India. The Company has been continuously following up with the Government of India for appointment of Independent Directors including independent woman director and it is given to understand that the Government is in the process of appointing requisite number of Independent Directors including independent woman director.

(iv) & (v) Due to cessation of one Independent Director w.e.f. November 05, 2024, the Company had only five Directors on the Board. Being Government Company under the administrative control of the Department of Fertilizers, Ministry of Chemicals and Fertilizers, Govt. of India, the Directors of the your Company are appointed by the Government of India. The Government of India appointed Director (Marketing) w.e.f. January 28, 2025. Hence, the Company has complied with the said regulation w.e.f. January 28, 2025.

(b) (i) & (iii) The Company has only one Independent Director on its Board from April 01, 2024 to November 4, 2024. Being Government Company under the administrative control of the Department of Fertilizers, Ministry of Chemicals and Fertilizers, Govt. of India, the your Directors of the Company are appointed by the Government of India. The Company has been continuously following up with the Government of India for appointment of Independent Directors .

(ii) Due to the cessation of one Independent Director with effect from November 5, 2024, the Company did not have any Independent Director on the Board. Being Government Company under the administrative control of the Department of Fertilizers, Ministry of Chemicals and Fertilizers, Govt. of India, the Directors of the your Company are appointed by the Government of India. The Company has been continuously following up with the Government of India for appointment of Independent Directors.

(c) (i) to (ii) The Company has only one Independent Director on its Board from April 01, 2024 to November 4, 2024. Being Government Company under the administrative control of the Department of Fertilizers, Ministry of Chemicals and Fertilizers, Govt. of India, the your Directors of the Company are appointed by the Government of India. The Company has been continuously following up with the Government of India for appointment of Independent Directors .

(ii) & (iv) Due to the cessation of one Independent Director with effect from November 5, 2024, the Company did not have any Independent Director on the Board. Being Government Company under the administrative control of the Department of Fertilizers, Ministry of Chemicals and Fertilizers, Govt. of India, the Directors of the your Company are appointed by the Government of India. The Company has been continuously following up

with the Government of India for appointment of Independent Directors .

(d) (i) & (ii) The Company has only one Independent Director on its Board from April 01,2024 to November 04,2024. Being Government Company under the administrative control of the Department of Fertilizers, Ministry of Chemicals and Fertilizers, Govt. of India, the Directors of the your Company are appointed by the Government of India. The Company has been continuously following up with the Government of India for appointment of Independent Directors.

(e) The Company has only one Independent Director on its Board from April 01,2024 to November 04,2024. Being Government Company under the administrative control of the Department of Fertilizers, Ministry of Chemicals and Fertilizers, Govt. of India, the Directors of the your Company are appointed by the Government of India. The Company has been continuously following up with the Government of India for appointment of Independent Directors.

(f) The Company has only one Independent Director on its Board from April 01,2024 to November 04,2024. Being Government Company under the administrative control of the Department of Fertilizers, Ministry of Chemicals and Fertilizers, Govt. of India, the Directors of the your Company are appointed by the Government of India. The Company has been continuously following up with the Government of India for appointment of Independent Directors.

(g) The Company has only one Independent Director on its Board from April 01, 2024 to November 4, 2024. Being Government Company under the administrative control of the Department of Fertilizers, Ministry of Chemicals and Fertilizers, Govt. of India, the your Directors of the Company are appointed by the Government of India. The Company has been continuously following up with the Government of India for appointment of Independent Directors .

d. SECRETARIAL STANDARDS

During the year 2024-25, your Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

The Department of Fertilizers (DoF), vide letter no.12022/2/2024-UPP (E.38249) dated June 25, 2025, has not accepted the request of the Company for recognition of EPMC gas/Spot gas procured for Urea operations for the production of Trombay Urea for the years 2021–22 and 2022–23. The non-recognition is expected to have an adverse financial impact of approx. ₹204.14 crore. The Company is once again representing the matter to DoF for reconsideration since the non-recognition is not in accordance with the principles of gas pooling mechanism.

REPORTING OF FRAUDS

During the year 2024-25, no material fraud by the Company or on the Company has been noticed or reported during the year except two instances of fraudulent presentation of cheques issued out of the cheque leaves which was found missing, aggregating to ₹ 0.99 Crore. Your Company had immediately initiated action for stop payment of such cheques and such cheques were not encashed. Your Company has filed a complaint/FIR with the police and matter is under investigation. Further, your Company has initiated action with reference to blocking of all missing cheque leaves with the bank and has issued a public notice with respect to such missing cheques in renowned newspaper on all India basis.

INSOLVENCY AND BANKRUPTCY CODE

There are no applications made or any proceedings pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.

ONETIME SETTLEMENT WITH ANY BANK OR FINANCIAL INSTITUTION

As no settlement has taken place with any of the Bank or Financial Institution during the financial year, therefore, no disclosure or reporting is required in respect of the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions.

BANKS AND FINANCIAL INSTITUTIONS

Your Company is prompt in making the payment of interest and repayment of loans to the financial institutions / banks. During the COVID-19 Pandemic period, it has not availed any moratorium on any of its payments to the institutions. Banks and Financial Institutions continue their unstinted support in all aspects and the Board records its appreciation for the same.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of section 134(3) (c) of the Companies Act, 2013:

i] that in the preparation of the annual accounts for the year ended March 31, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

ii] the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as

to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the profit of the Company for the year ended on that date;

iii] that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv] the annual accounts have been prepared on a going concern basis;

v] that the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

vi] that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE GOVERNANCE

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on Corporate Governance practices followed by the Company, together with a certificate of Compliance from the Practising Company Secretary forms an integral part of this report.

COMPLIANCE OF CORPORATE GOVERNANCE GUIDELINES ISSUED BY DEPARTMENT OF PUBLIC ENTERPRISES

DPE, Government of India, has laid down certain parameters for the purpose of grading the CPSEs on the basis of their compliance with guidelines on Corporate Governance and this report needs to be submitted to the Government on quarterly/annual basis. Your Company has been complying with the Guidelines on Corporate Governance for CPSEs laid down by DPE and regularly submits reports to the Government. The Company expects 'Excellent Rating' to your Company for the year 2024-25.

INTERNAL FINANCIAL CONTROL OVER FINANCIAL REPORTING

Your Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Your Company's internal financial control over financial reporting includes those policies and procedures that:

(1) pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of Management and Directors of the Company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

KEY MANAGERIAL PERSONNEL

The following are Key Managerial Personnel of the Company as on March 31, 2025:

1. Shri S. C. Mudgerikar [DIN 03498847], Chairman & Managing Director
2. Ms Nazhat J. Shaikh [DIN 07348075], Director (Finance) & CFO
3. Ms Ritu Goswami [DIN 10463372], Director (Technical)
4. Shri Niranjan S. Sonak [DIN 10926090], Director (Marketing) (w.e.f.28.01.2025)
5. Shri Jai Bhagwan Sharma [FCS 5030], Company Secretary

CHANGES IN THE BOARD OF DIRECTORS

Shri Gopinathan Nair Anilkumar [DIN 09447818] ceased as Independent Director w.e.f. November 5, 2024 after completion of his term.

Shri Niranjan S. Sonak [DIN 10926090] appointed as Director (Marketing) on the Board of the Company w.e.f. January 28, 2025.

Ms Aparna S. Sharma (DIN 07798544) appointed as Government Nominee Director on the Board of the Company w.e.f. February 18, 2025.

Dr. Ajay Shanker Singh (DIN 10449154) ceased as Government Nominee Director on the Board of the Company w.e.f. February 18, 2025.

Shri Gopinathan Nair Anilkumar [DIN 09447818] appointed as Independent Director on the Board of the Company w.e.f. May 9, 2025.

Prof Anjula Murmu [DIN 09565841] appointed as Independent Director on the Board of the Company w.e.f. May 9, 2025.

Shri Partha Sarathi Ghosh [DIN 09517108] appointed as Independent Director on the Board of the Company w.e.f. May 9, 2025.

Ms Sipra Bajpai [DIN 11287685] appointed as an Independent Director on the Board of the Company w.e.f. September 11, 2025.

The Board has placed on record their appreciation of the Directors who have ceased to be members of the Board for the valuable contribution made and the guidance / suggestion provided by them which has greatly benefited the company.

As per Section 152 of the Companies Act, 2013, Ms Nazhat J. Shaikh [DIN 07348075] and Ms Ritu Goswami (DIN: 10463372), Directors retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

FAMILIARISATION PROGRAMMES FOR INDEPENDENT DIRECTORS

The Company's independent directors are eminent professionals with several decades of experience in banking and financial services, technology, finance, governance and management areas and are fully conversant and familiar with the business of the Company.

The Company has an ongoing familiarisation programmes for all Independent directors with regard to their roles, duties, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company, etc.

All the Independent Directors of the Company have registered their names in the Independent Directors Databank as required under the Act and the Rules referred therein. The Independent Directors are also required to take up an online proficiency self assessment test within two years from the date of inclusion of their name in the Independent Directors databank, unless exempted from such requirement, under the Act and the Rules referred therein.

Board opined that Independent Directors of the Company has made significant participation and contribution, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behaviour and judgement.

INDEPENDENT DIRECTOR'S DECLARATION

The Company has received the Certificate of Independence from the Independent Directors confirming that they meet the criteria prescribed for Independent Directors under the provisions of the Companies Act, 2013 and SEBI (LODR). The Independent Directors have confirmed that they are registered with the database maintained by the Indian Institute of Corporate Affairs (IICA) under the Ministry of Corporate Affairs.

The Company being a Government Company, the power to appoint Directors (including Independent Directors) vests with the Government of India. The Directors are appointed by following a process as per laid down guidelines. In the opinion of the Board, the Independent Directors possess the desired expertise, experience and integrity.

A separate meeting of Independent Directors was not held during the year.

COMMITTEES OF THE BOARD

The Company's Board has the following committees:

i. Audit Committee
ii. Stakeholders Relationship Committee
iii. Share Transfer Committee
iv. Nomination and Remuneration Committee
v. Committee on Corporate Social Responsibility & Sustainability Develpment Committee (CSR & SD)
vi. Empowered Committee for Procurement.
vii. Risk Management Committee
viii. Empowered Committee for Procurement of Urea on Govt. Account
ix. Debenture Allotment Committee

The details of the committees along with their composition, number of meetings held and attendance of each Director at the meetings are provided in the Corporate Governance Report.

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

As per notification dated June 5, 2015 issued by Ministry of Corporate Affairs, provision of section 134(3) (e) of the Companies Act, 2013 regarding disclosure of its policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matter provided under sub- section (3) of section 178 of the Companies Act, 2013 are not applicable to a Government company.

Your Company being a Government company, the above provisions are not applicable to it.

Similarly, section 197 of the Companies Act, 2013 requiring disclosure of ratio of the remuneration of each director to the median employee's remuneration and other such details including the name and other particulars of every employee of the company, who if employed throughout/ part of the financial year, was in receipt of remuneration in excess of the limits set out in the rules, are not provided in terms of section 197(12) read with rule 5(1) (2) of the Companies(Appointment and Remuneration of Managerial Personnel) Rules, 2014, being not applicable to a Government company as per notification dated June 5, 2015 issued by Ministry of Corporate Affairs.

MEETINGS OF THE BOARD

Fourteen (14) Board Meetings were held during the year. The details of the Board Meetings held during the financial year 2024-25 are provided in the Corporate Governance Report.

BOARD EVALUATION

Section 134(3) (p) of the Companies Act, 2013 requires the Company to disclose the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual Directors. As per notification dated June 5, 2015 issued by Ministry of Corporate Affairs, provision of section 134(3) (p) of the Companies Act, 2013 shall not apply in case Directors are evaluated by the Ministry which is administratively in charge of the Company, as per its own evaluation methodology. Your Company, being a Government Company, the performance evaluation is carried out by the Administrative Ministry (Ministry of Chemicals & Fertilizers), Government of India, as per applicable Government Guidelines.

Your Company has evaluated the performance of the Independent Directors for the year 2024-25 as per regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

PARTICULARS OF LOANS GIVEN, INVESTMENT MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

Particulars of Loans given, Investments made, Guarantees given and Securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the notes to the financial statements.

CREDIT RATINGS

The Credit rating assigned by Rating Agencies for the various debt instruments of the Corporation is provided in the Corporate Governance Report.

PARTICULARS OF EMPLOYEES

During the year under review, none of employees of the Company had drawn remuneration in excess of the limits prescribed under section 134(3) (c) of the Companies Act, 2013 read with Companies (Appointment of Managerial Personnel) Rules, 2014.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The details of Vigil Mechanism/Whistle Blower Policy are provided in Corporate Governance Report.

RELATED PARTY TRANSACTIONS

All contracts/arrangement/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee and also before the Board for approval. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

The details of the investment in equity made by the Company as on March 31, 2025 is as under:

₹ Crore

1	FACT-RCF Building Products Limited	32.87 *
2	Urvarak Videsh Limited	0.18 *
3	Talchar Fertilizers Limited	902.15
	Total	**935.20**

* Company has made full provision towards the value of investment.

Further, your Company has invested ₹200 Crore as an additional equity share capital in Talchar Fertilizers Limited in April 2025.

The details of transactions with related parties are provided in the accompanying financial statements. There are no transactions to be reported in Form AOC-2.

INTER CORPORATE DEPOSIT

In connection with one time settlement entered into with Dena Dank, the Company had paid total ₹ 51 crore (₹ 12 crore during the year 2017-18 and Rs 39 crore during the year 2018-19) to Dena Bank as one time settlement which includes an amount of ₹ 25.50 crore being the share of The Fertilisers and Chemicals Travancore Limited (FACT), the joint venture partner in FRBL. This amount is shown as interest bearing inter corporate deposit given. FACT has to repay the same in five annual equal instalments commencing from December 2020. FACT has made payment of Fifth and last installment as per agreement.

UNSECURED INTER CORPORATE LOAN

Your Company has provided an unsecured Inter Corporate Loan to Talcher Fertilizers Limited (TFL), a joint venture company in June2025, amounting to ₹233 Crore at the rate of 6 months SBI MCLR plus 0.65% for a period of not exceeding 6 months with repayment option with a notice of 7 days.

ISSUE AND REDEMPTION OF OF NON CONVERTIBLE DEBENTURES (NCDS) BONDS ON PRIVATE PLACEMENT BASIS

Your Company has allotted 30,000, Listed, Unsecured, Rated, Redeemable, Taxable, Non-Convertible Bonds in the nature of Debentures (NCDs) of face value of ₹1,00,000/- ((Rupees One Lakh only) each, aggregating to ₹ 300 crore (Rupees Three Hundred Crore only) on private placement basis for cash at par, in dematerialized form (ISIN: INE027A08028), through BSE Electronic Book Platform (EBP) on August 7, 2024 .The NCDs are for a tenure of Three years, carrying interest @ 7.99% p.a.

payable annually. NCDs are listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE), on the Whole Sale Debt Market (WDM) Segment. The Company has appointed M/s SBICAP Trustee Company Limited as Debenture Trustee for the said debt securities.

Your Company has allotted 30,000, Listed, Unsecured, Rated, Redeemable, Taxable, Non-Convertible Bonds in the nature of Debentures (NCDs) of face value of ₹1,00,000/- ((Rupees One Lakh only) each, aggregating to ₹ 300 crore (Rupees Three Hundred Crore only) on private placement basis for cash at par, in dematerialized form (ISIN: INE027A08036), through BSE Electronic Book Platform (EBP) on June 30, 2025.The NCDs are for a tenure of Three years, carrying interest @ 7.49% p.a. payable annually. NCDs are listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE), on the Whole Sale Debt Market (WDM) Segment. The Company has appointed M/s SBICAP Trustee Company Limited as Debenture Trustee for the said debt securities.

During the year, 3,000, Listed, Unsecured, Rated, Redeemable, Taxable, Non-Convertible Bonds in the nature of Debentures (NCDs) of face value of ₹10,00,000/- ((Rupees Ten Lakh only) each, aggregating to ₹ 300 crore (Rupees Three Hundred Crore only) on private placement, in dematerialized form (ISIN: INE027A08010), have been redeemed on January 31, 2025.

5,000, Rated, Listed, Secured, Redeemable, Non-Comulative, Taxable, Non-Convertible Bonds in the nature of Debentures (NCDs) of face value of ₹10,00,000/- ((Rupees Ten Lakh only) each, aggregating to ₹ 500 crore (Rupees Five Hundred Crore only) on private placement, in dematerialized form (ISIN: INE027A07012), have been redeemed on August 5, 2025.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has in place a Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.The Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment.

During the year, one complaint of Sexual Harassment of Women at Workplace was received by the internal complaints committee formed by your Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, committee disposed of one (1) complaints of Sexual Harassment of Women at Workplace.

RIGHT TO INFORMATION (RTI)

In order to promote transparency and accountability, an appropriate mechanism has been set up across the Company in line with the provisions of the Right to Information Act, 2005. Your Company has nominated CPIO/ACPIOs/ Appellate Authorities at its units/offices across the Company to provide information to citizens under the provisions of the RTI Act.

During the year under review, your Company has received 649 RTI applications out of which 646 have been replied.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed to this Report as **Annexure IV** and form an integral part of this report.

ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013 read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return in Form MGT 7 as on March 31, 2025 is available on the Company's website on https://www.rcfltd.com/investerrelations/annual-return

INVESTOR EDUCATION & PROTECTION FUND (IEPF)

The details of unpaid / unclaimed dividend and shares transferred to the IEPF in compliance with the provisions of the Companies Act, 2013 has been provided in the Corporate Governance Report.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

Pursuant to Regulation 34 (2) (f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility Report initiatives taken from an environmental, social and governance prospective in the prescribed format is available as a separate section of the Annual Report and forms an integral part of this report. Business Responsibility Report is also available on the Company's website www.rcfltd.com.

ACKNOWLEDGMENT

Your Directors wish to gratefully acknowledge the valuable guidance and continued support extended by Government of India and in particular, the Department of Fertilizers and the Office of Fertilizer Industry Co-ordination Committee (FICC), Railways, DPE, Members of MOU Task force, and other Central Government Departments and Agencies.

The Board also wishes to acknowledge with sincere gratitude, the help and unstinted support from the Government of Maharashtra and other State Governments, MSEB, MIDC, various Media, Municipal

Authorities, Maharashtra Pollution Control Board, Factory Inspectorate and IBR, Bankers to your Company, Financial Institutions, Dealers and Customers.

Your Board wishes to acknowledge gratefully, the confidence posed, unstinted support and suggestions made to the Board by the esteemed Share Owners of the Company. The Board also wishes to place on record the positive suggestions and guidance provided by the Statutory Auditors, Cost Auditors, the Office of the Principal Director of Commercial Audit and Secretarial Auditor.

You Board wishes to acknowledge with sincere gratitude, the help and unstinted support from Trade Unions & Officers Association for your unwavering support.

Last but not the least, your Directors take pleasure in placing on record their deep appreciation of the excellent contribution made by the employees of your Company at all levels, without which your Company would not have achieved such good performance.

Sd/-
[S. C. Mudgerikar]
Chairman & Managing Director

Place: Mumbai
Date: September 24, 2025

Annexure - I

ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 ('the Act') & Rules made thereunder]

1. Brief outline on CSR Policy of the Company

Rashtriya Chemicals and Fertilizers Limited ('the Company') is committed to upholding the highest standards of Corporate Social Responsibility ('CSR'). The Company endorses the RCF's purpose of improving the quality of life of the communities it serves through long-term stakeholder value creation. The Company believes in positively impacting the environment and supporting the communities it operates in focusing on sustainability of its programmes and empowerment of its communities.

The CSR commitment of RCF positions its social and environmental consciousness as an integral part of its business plan and its commitment to all its stakeholders including customers, shareholders, employees, local communities and the society at large

The Company has framed a CSR Policy in compliance with the provisions of the Act, as amended, which is available on the Company's website at https://www.rcfltd.com/public/storage/cmspages/cmspdfFile/F1753958148-Corporate%20Social%20Responsibility%20%28CSR%29%20Policy.pdf

2. Composition of CSR & SD Committee

Sr. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Gopinathan Nair Anilkumar (upto 04.11.2024)	Chairperson and Independent Director	3	3
2	Ms Nazhat Shaikh	Member and Director (Finance)	5	5
3	Ms Ritu Goswami (from 21.10.2024)	Member and Director (Technical)	2	2
4	Ms Aneeta C. Meshram	Member and Govt. Nominee Director	5	0

3. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company, is given below:

Composition of CSR & SD committee

https://www.rcfltd.com/public/storage/investers/1744202902.pdf

CSR policy

https://www.rcfltd.com/public/storage/cmspages/cmspdfFile/F1753958148-Corporate%20Social%20Responsibility%20%28CSR%29%20Policy.pdf

CSR projects approved by the Board

https://www.rcfltd.com/socialresponsibility/annual-report-on-csr-activities

4. The executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, is given below:

In pursuance of Sub-Rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, dated 22nd January, 2021, RCF has engaged, M/s Crux Management Services P Ltd., as an 'Independent Agency', to undertake the Impact Assessment of its CSR projects. The Executive Summary of Impact Assessment of CSR projects having outlays of one crore rupees or more, and which have been completed during FY 2024-25 is as under:

Sr. No.	Title of the project	Budget (₹ in lakh)	Expenditure (₹ In Lakh)	Implementation Agency	Location	Executive Summary
1.	Supply of Water to Village in Raigad Districts	160.00	153.10	RCF	Raigad, Maharashtra	For the past 25 years, your Company has been providing drinking water to seven villages surrounding its Thal unit through pipelines laid from the unit's water reservoir. This initiative benefits over 20,000 residents across the villages of Thal, Navgaon, Vaishet, Tudal, Boris-Gunjis, and Bhal, all of which fall under the jurisdiction of the Thal factory. The drinking water supply is made possible through the infrastructure established by your Company, and the water charges billed by MIDC are fully borne by the Company
2.	Construction of rehabilitation centre for cured mentally ill persons	100.00	100.00	Central for Human Resource and Rural Development Programs (CHARDEPC)	Achankulam, Potrayadi, Kanyakumari Dist, Tamil Nadu	As part of your Company's CSR initiatives in the area of healthcare and social welfare, RCF supported Central for Human Resource and Rural Development Programs (CHARDEPC) for the construction of a rehabilitation centre for cured mentally ill persons at Achankulam, Potrayadi in Kanyakumari District, Tamil Nadu. This facility is aimed at providing a safe and supportive environment for reintegration, recovery, and skill development, helping beneficiaries lead a dignified and independent life.

Impact Assessment Reports are hosted on the website of the Company at following URL:

https://www.rcfltd.com/socialresponsibility/csr-impact-assessment-reports

5. (a) Average net profit of the company as per sub-section (5) of section 135: ₹ 79,756.00 Lakh (PBT)

(b) Two percent of average net profit of the company as per sub-section (5) of section 135: ₹ 1595.00 Lakh

(c) Surplus arising out of the CSR Projects or programmes or activities of the Previous financial years. Nil

(d) Amount required to be set-off for the financial year, if any.: ₹ 265.00 Lakh

(e) Total CSR obligation for the financial year [(b)+(c)-(d)] ₹ 1330.00 Lakh

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) ₹ 1615.00 Lakh

(b) Amount spent in Administrative Overheads.: Nil

(c) Amount spent on Impact Assessment, if applicable.: ₹ 3.59 Lakh

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]. ₹1618.59 Lakh

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (Rs in lakh.)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
1615.00	Nil	NA	Nil	Nil	NA

(g) Excess amount for set off, if any : nil

Sl. No.	Particulars	Amount (₹ in lakh)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	1595.00
(ii)	Total amount spent for the Financial Year	1615.00
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	20.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	No amount is set-off

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1	2023-24	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2	2022-23	Nil	Nil	Nil	Nil	Nil	Nil	Nil
3	2021-22	Nil	Nil	Nil	Nil	Nil	Nil	Nil

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year : **Yes**

If Yes, enter the number of Capital assets created/ acquired : **30**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of The property or asset(s)	Date of creation	Amount of CSR amount spent (Amount in ₹ Lakhs)	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
1	Gym equipment from last year order approved in BM.466th dt 14.09.2023	402209, 402208	05.04.2024	5.46	Nil	RCF In-House	Priyadarshini Building, Eastern Express Highway, Sion, Mumbai Maharashtra, 400022
2	Part payment _ Fin. Asstt. For title sponsorship to the new Hospital Building	402208	11.07.2024	51.00	CSR0006740	Lions Health Foundation Alibaug	Kankeshwar Phata, Near Sai Inn Hotel, Chondhi, Alibag, Raigad, Alibag, India, Maharashtra
3	Installation of Air Purification system in Chembur	400071	01.07.2024	43.59	Nil	RCF In-House	Priyadarshini Building, Eastern Express Highway, Sion, Mumbai Maharashtra, 400022
4	Toilet Construction (3 toilets blocks and 6 urine pots) at Jilla Parishad school, Kohlapur and one Toilet block and one bathroom adivasi school at Palghar	416213	15.09.2024	10.00	CSR00009002	Chandra Sundra Trust	Jilla Parishad school, Kohlapurand adivasi school at Palghar
5	Fin asstt. for providing 25 sewing machines, 15 flour mills to women in slum area	400074	01.10.2024	6.00	CSR00009002	Asmita Mahila Mandal	Gnaesh Nagar, Vashi Naka slum area Chembur
6	Construction of rehabilitation centre for cured mentally ill persons at Achankulam, Potrayadi, Kanyakumari Dist, Tamil Nadu	629703	31.05.2025	100.00	CSR00040738	Central for Human Resource and Rural Development Programs (CHARDEP)	Achankulam, Potrayadi, Kanyakumari Dist, Tamil Nadu

Sl No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of The property or asset(s)	Date of creation	Amount of CSR amount spent (Amount in ₹ Lakhs)	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
7	Construction of toilets for Nivara Balgruh at. Jamkhed, Ahmadnagar	413201	30.01.2025	10.00	CSR00040738	Gramin Vikas Kendra	Nivara Balgruh at. Jamkhed, Ahmadnagar
8	Procurement and installation of CBC Machine and Biochemistry Machine at Jimalgatta, Taluka-Aheri, District-Gadchiroli, Maharashtra	442709	24.08.2024	3.95	CSR00047997	Josh Foundation	Jimalgatta, Taluka-Aheri, District-Gadchiroli, Maharashtra
9	Stationery and furniture to BMC school	400071	10.09.2024	1.84	CSR00047997	Panchratna Mitra Mandal	BMC School, Anushakti Nagar, Ganesh Nagar
10	Procurement RO Purifier for Alibag tehsil office, Police Station, Alibag Jail, Bus Stand & Civil Hospital etc.	402201	22.03.2025	4.70	Nil	RCF In-House	Priyadarshini Building, Eastern Express Highway, Sion, Mumbai Maharashtra, 400022
11	Solar Panel Poll Light to Thal Machchimar Society	402207	27.03.2025	1.20	Nil	RCF In-House	Priyadarshini Building, Eastern Express Highway, Sion, Mumbai Maharashtra, 400022
12	Procurement of Ice box of 60 Ltr. Capacity for Machhimar Society Thal and Navgaon, Alibaug, dist Raigad for their women fish seller for fish preservation	402207 & 402208	20.03.2025	21.99	Nil	RCF In-House	Priyadarshini Building, Eastern Express Highway, Sion, Mumbai Maharashtra, 400022
13	Procurement and installation of water purifier plant for students of PNP education society, Alibaug	402209	07.10.2024	10.00	CSR00005558	Prabhakar Patil education society	PNP Education Society, Veshvi, Alibag, Raigad,402209
14	Fin. Asstt. for installation of rooftop solar panel at Krida Bhuvan, Alibaug	402201	01.10.2024	5.00	CSR00058967	Krida Bhuvan	Krida Bhuvan, Alibaug,402201

Sl No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of The property or asset(s)	Date of creation	Amount of CSR amount spent (Amount in ₹ Lakhs)	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
15	Fin. Asstt. for installation of solar panel for school.	402208	07.10.2024	10.00	CSR00050389	Lokmanya Shikshan Prasarak Mandal	Lokmanya Shikshan Prasarak Mandal, Chondhi, kihim ,Alibag 402208
16	Fin. Asstt. for construction of toilet block in new school building of Lokmanya Shikshan Prasarak Mandal	402208	07.10.2024	10.00	CSR00050389	Lokmanya Shikshan Prasarak Mandal	Lokmanya Shikshan Prasarak Mandal, Chondhi, kihim ,Alibag 402208
17	Procurement of a 32 seater school bus,Malviya vidya kendram,Madurai, Tamil nadu-625018	625018	13.03.2025	21.49	CSR00048905	RCF/ Madhanmohan Malavya Vidya Kendram	Madurai, Tamil nadu - 625018
18	Fin. Assistance for Construction of Toilet Block in college	400071	15.06.2025	10.00	CSR00016223	Shri Swami Vivekanand Shikshan Sanstha	2130 E Ward, Tarabhai Park, Kolhapur, Maharashtra -416003
19	Procurement of Gym equipment to Grampanchayats for four villages	402207, 402208 & 402209	11.03.2025	11.52	Nil	RCF In-House	Priyadarshini Building, Eastern Express Highway, Sion, Mumbai Maharashtra, 400022
20	Purchase of 200 nos Waste Bins to Kihim Grampanchayat	402208	13.03.2025	8.63	Nil	RCF In-House	Priyadarshini Building, Eastern Express Highway, Sion, Mumbai Maharashtra, 400022
21	Financial Assistance for purchase of medical equipment 13 Nos of Syringe Pumps- Make& Brand- Fresenius Kabi-Germany or similar for the Modular Operation Theatre Complex Bharatratna Dr. Babasaheb Ambedkar Memorial Hospital, Dr. Babasaheb Ambedkar Road, Byculla, Mumbai-400027	400027	Machine is ordered and delivery is awaited	14.75	CSR00016002	Bharatratna Dr. Babasaheb Ambedkar Memorial Hospital,	Dr. Babasaheb Ambedkar Road, Byculla, Mumbai-400027

Sl No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of The property or asset(s)	Date of creation	Amount of CSR amount spent (Amount in ₹ Lakhs)	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
22	Financial Assistance for purchase of Ambulance	411016	11.06.2025	14.80	CSR00014162	Naam Foundation	1132-3, 2nd Floor, Vishnu Darshan, behind Hotel Lalit Mahal, FC rd, Model Colony, Shivaji Nagar, Pune-411016
23	Financial Assistance for E Office of Jilha Parishad Education department of state government	402201	26.03.2025	7.21	Nil	RCF In-House	Priyadarshini Building, Eastern Express Highway, Sion, Mumbai Maharashtra, 400022
24	Financial Assistance for purchase of Auto Clave Sturlizing Machine for Rajawadi Hospital, Mumbai	400077	11.06.2025	7.39	CSR00034980	Rotary Club of Chembur	Rajawadi Hospital, Mumbai
25	Financial Assistance for purchase Tabletop Pulse Oximeter and red 97 catalogue for Sion Hospital	400022	13.06.2025	15.99	CSR00034980	Rotary Club of Chembur	Sion Hospital, Mumbai
26	Financial Assistance for purchase of 2 units of neonatal inensive care incubator for Sion Hospital	400022	04.07.2025	9.31	CSR00034980	Rotary Club of Chembur	Sion Hospital, Mumbai
27	Financial Assistance to Lions Club of Vasai for Constructing Toilets block at Local Marathi School at Arnala, Virar	401303	24.06.2025	12.00	CSR00080245	Lions Club of Vasai	Shop No. 16,Guru ashish,N G Suratwala Complex Kacheri road, vasai-401201
28	Financial Assistance for Drinking water filter plant for village Nimbha Dist. Amaravati	444602	10.06.2025	4.25	CSR00061198	Vithai Charitable Trust	At. Nimbha Dist. Amaravati, Maharashtra

Sl No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of The property or asset(s)	Date of creation	Amount of CSR amount spent (Amount in ₹ Lakhs)	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
29	Financial Assistance for Construction of Separate Toilets for Girls and Boys at Arts, Commerce, and Science College, Osmanabad	413501	16.05.2025	15.00	CSR00015920	Vishvabharati Bahuddeshiya Shikshan Sanshta Ruibhar college of Arts, Commerce, and Science College	Ruibhar,Tq. & Dist. Osmanabad-413501
30	Financial assistance for procurement of Medical Health ATM Machine for Alibag Police Station	402201	21.04.2025	7.03	CSR00087096	Wada Nirmiti Education Society	SP Office, Alibag,Raigad

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135.

- Not Applicable

Sd/-
S. C. Mudgerikar
Chairman & Managing Director

Sd/-
Prof. Anjula Murmu
Chairperson – CSR Committee

Date : August 12, 2025
Place : Mumbai

Annexure - II

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

OVERVIEW OF THE ECONOMY

India, the world's fourth largest economy, has emerged as the fastest growing major economy and is on track to become the world's third-largest economy with a projected GDP of $7.3 trillion by 2030. India's Gross Domestic Product (GDP) gained strength as it picked up pace sequentially to a four-quarter high of 7.4% in January-March on the back of firm industrial growth in manufacturing, construction and mining sectors even as consumption demand slowed down. The full-year growth rate, however, is estimated to have slowed to a four-year low of 6.5% for financial year 2024-25 , according to National Statistical Office (NSO). Driven by robust domestic demand, a dynamic demographic profile and sustained economic reforms, India is asserting its rising influence in global trade, investment, and innovation.

At the core of this transformation is the vision of Aatmanirbhar Bharat, a movement that promotes innovation, entrepreneurship, and technological sovereignty. Under Prime Minister leadership, strategic initiatives like the Production Linked Incentive (PLI) schemes, revitalisation of MSMEs, and the expansion of digital infrastructure have laid the foundation for a high-growth and high-opportunity economy.

Over the past decade, India has undergone a profound economic transformation rooted in structural reforms, visionary policymaking, and unwavering political will. From achieving historic GDP growth and record exports to revolutionising digital payments and empowering millions through financial inclusion, the country has laid the foundation for a resilient, equitable, and future-ready economy. With robust FDI inflows, expanding trade and innovation-driven sectors leading the charge, India is no longer a passive participant in the global economy, it is a key architect of its future. As the country moves confidently toward its goal of becoming a top three economic power, the momentum of the last eleven years signals that India's economic rise is not just a moment—it is a movement. The forecast for India's real GDP growth in Financial Year 2025-26 is around 6.2%.

INDUSTRY STRUCTURE AND DEVELOPMENT

Overall fertilizers production has increased by 2.62% during financial year 2024-25 as against financial year 2023-24 due to increase in production of NPK & SSP. Production of urea has decreased by 2.44 % during the financial year 2024-25 as against 2023-24. Production of DAP has decreased by 12.19% during the financial year 2024-25 as against 2023-24. NPK production increased by 18.68% during financial year 2024-25 as against financial year 2023-24. SSP production has increased by 18.27% during the financial year 2024-25 as against financial year 2023-24.

Imports have decreased by 9.42 % due to the decrease in Urea & DAP . India's fertiliser import dynamics experienced notable shifts, marked by a discernible decline of 19.81% in Urea & 17.93% in DAP imports compared to the preceding year. Conversely, MOP surged with an impressive growth rate of 23.42%. This trend seamlessly aligns with the government's vision under the Atma Nirbhar Bharat initiative, emphasizing reduced dependence on imports and the promotion of indigenous alternatives.

India's fertiliser industry is thriving, not just marking increases in production and sales, but serving as a testament to the nation's steadfast dedication to bolstering agriculture, meeting growing demands, and nurturing a future of prosperous farms.

Sales have increased by 8.69 % due to the increase in Urea, MOP, NPK & SSP. India experienced a notable growth in sales across key fertilizers, with Urea, MOP, NPK & SSP boasting impressive increases of 8.37%, 33.89%, 28.37% and 8.46%, respectively, compared to the previous year. Sales of DAP has decreased by 14.15% as compared to previous year.

Government of India has made a budgetary allocation of fertilizer subsidy of ₹167,887 crore for 2025-26 inclusive of ₹11,600 crore under Oil Industry Development Fund. Budget for urea subsidy is ₹118,860 crore which is lower by ₹115 crore than the revised estimate for ₹2024-25. Similarly, subsidy allocated for P&K fertilizers at 49,000 crore, have also been reduced by ₹3,310 crore. The reason behind this reduction compared to revised estimates for 2024-25 may be due to expectation of downward trend in international prices of fertilizer related commodities. However, adequacy of allocation will depend on trends on the international prices of energy, fertilizers and raw materials during the year. To improve soil heath, subsidy allocation on promotion of organic fertilizers for 2025-26 is ₹ 150 crore. The Budget 2025-26 focused on agricultural development. The adequacy of fertilizer subsidies will depend on external factors, particularly the availability and prices of raw materials/ intermediates and finished products in the international market.

The Government of India (GoI) has revised the nutrient-based subsidy (NBS) rates for kharif FY2026. There has been an increase in subsidy of phosphorus to Rs 43,600/ MT from Rs 30,800/MT, while that of sulphur has also been escalated. This is expected to improve the contribution margins of diammonium phosphate (DAP) as well as other NPK (nitrogen phosphorus potassium) grades.

Muriate of potash (MOP) continues to be profit – making . The MOP continues to remain profit - making at current retail prices and subsidy levels .

Pooled gas prices remain largely steady. Gas costs remain a pass-through for urea players. Since pooled gas prices

have remained stable, the profitability of urea players is expected to remain steady.

STRENGTHS, WEAKNESSES, OPPORTUNITIES & THREATS

Strengths

i) Your Company's strength lies in its skilled manpower, high Brand Equity of its products such as Microla, Biola, Sujala & Vipula and diversified product portfolio of fertilizers and chemicals.

ii) The wide reach of marketing network ensures that your Company can take its products to the farthest corners of the country.

iii) Increased usage of digital technology to reach-out to farmers through Mobile Apps, Facebook pages, Twitter handle, Instagram handle and YouTube Channel under the name of "RCF Kisan Manch".

iv) The Farmer's Training Institutes at Thal and Nagpur are helping in a big way to educate farmers on latest farming techniques. Also Company has been operating toll free help line number called "Kisan Care" through which farmers can approach agriculture experts and get their queries addressed.

v) Larger farmer reach through various farm extension activities like field Demonstration, Sheti-patrika, celebrating soil testing days etc.

vi) Your Company has a wide portfolio of Industrial chemical products which have applications across several sectors like pharmaceuticals, dyes etc.

vii) The well maintained plants and equipments ensure efficient production.

viii) Continuous technology upgradation, revamping, modernization and implementation of energy & production improvement schemes in the plants.

ix) Well established infrastructure and R&D facility.

Weaknesses

i) The Plants have been in operation for a very long time and need significant investment for upkeep and upgradation.

ii) As the ultimate customers of the Company are farmers, agro-climatic conditions have a large effect on the performance of the Company.

iii) Raw materials such as Rock Phosphate, MAP, DAP and Muriate of Potash (MOP) etc. required in the manufacturing of the complex fertilizers, have to be imported. Their procurement cost is subject to high volatility in global raw material prices and variation in the foreign currency exchange rates affecting the profitability of the Company.

iv) Volatile Natural gas prices for non-Urea operations are impacting bottom line of the Company.

v) Reduction in supply of Domestic gas leads to increase in consumption of imported RLNG at higher cost.

Opportunities

i) Severalopportunities exist overseas, for Collaborations / Diversification in the field of manufacturing and mining of raw materials as well as fertilizers thereby presenting an opportunity for marketing of variety of products.

ii) Huge demand and import dependency in case of NPK fertilizers in the Country provides an opportunity to Company for expanding its NPK fertilizer base.

iii) Alternate feedstock such as Coal gives an opportunity for undertaking Fertilizer Projects in other parts of the country closer to coal mines based on latest coal gasification technology.

iv) Experienced and Skilled Manpower of your Company has been in demand for rendering O&M services in India and abroad. In view of your Company's training facilities, as well as the available skilled Engineers and Technicians, your Company is in a position to impart training to many foreign and Indian Companies.

v) Energy and environment improvement projects planned will give positive impact on the profitability and sustainability of your Company.

All these opportunities would enable your Company to improve profitability in the coming years.

Threats

i) Manufacturing and marketing of Fertilizers is the core business of your Company. In recent years, there has been high volatility in the prices of raw material resulting in an adverse impact on production and marketing plans. The profitability is susceptible to the input costs of major raw materials, such as Rock Phosphate, Sulphur, DAP, MOP, MAP etc.

ii) Production of Urea, Complex Fertilizers and chemicals is dependent on the availability of feedstock gas and its economic pricing.

iii) The industrial chemicals business is also exposed to cut-throat global market competition.

OUTLOOK

Fertilizers Sales volumes are expected to grow 1-3% YoY in FY2026, in line with long-term trends. Finished fertiliser prices, as well as associated raw materials, have largely remained steady . However, of late, some of the raw materials and finished fertilisers (especially DAP) have witnessed some price uptrends.

The profitability was improved in FY2025, largely driven by healthy contributions for some grades of NPKs. For FY2026, the profitability is expected to improve from FY2025 levels with hike in NBS rates. For the urea segment, profitability is likely to remain steady amid stable gas prices.

The anticipates subsidy budget for FY2026 to minorly trail the requirements and expects the GoI to release funds in a timely manner, thereby not allowing these levels to escalate materially for a sustained period. Further, GoI to make timely additional allocations to meet the shortfall.

RISK AND CONCERNS

The major risks and concerns of your Company are as under:

1. Imbalanced use of fertilizers
2. Skewed pattern of fertilizer use
3. Inadequate use of secondary and micro nutrients
4. Deterioration in soil health
5. Decline in fertilizer use efficiency
6. Higher dependence on subsidy. Delay in receipt of subsidy leads to higher interest cost.
7. Low operating margin due to tight regulations.
8. Strict Energy norms for all the plants under New Urea Policy (NUP 2015).

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a well-defined Internal Control System that is adequate and commensurate with the size and nature of its business comprising Internal Auditors which conducts internal audit of various operational and financial matters on on-going basis. The Technical function of Internal Audit is conducted through in-house technical personnel. The Non-technical function of Internal audit is now outsourced for 3 years i.e. FY 2023-24, 2024-25 and 2025-26 and the entire audit area of RCF is divided between two Audit firms of Chartered Accountants : 1) M/s. Keshri & Associates & 2) M/s. AMAA & Associates.

Internal Audit Department is headed by official having wide experience in IT field with good administration and interpersonal skill in the rank of Dy. General Manager having adequate number of financial and technical personnel. The recommendation and observations of the Internal Auditors are reviewed regularly by the Audit Committee constituted by the Board of Directors. As required by the Companies Act, 2013, the Audit Committee has formulated the Scope, Functioning, Periodicity and Methodology for conducting the Internal Audit and informed to the Board of Directors. The adequacy and operational effectiveness of Internal Financial Controls over Financial Reporting has been reviewed by the Audit Committee. The performance of the Company is regularly monitored by the Board of Directors.

The Company has an effective budgetary control mechanism in place to take care of the detailed capex and operational budget. Appropriate monitoring mechanism to compare the actual performance with the budget ensures that necessary review is periodically undertaken.

SEGMENT – WISE PERFORMANCE

The segment wise performance of the Company has been as under:

Fertilizer:

Your Company produces fertilizers such as Urea (Nitrogenous Fertilizer) at both Trombay and Thal Units, and 15:15:15 (NPK Fertilizer), Biola (Bio fertilizers), Microla (micronutrient fertilizer) and Sujala (100% water soluble fertilizer) etc. at its Trombay unit.

During the year, your Company has produced 20.65 LMT of Urea compared to 21.77 LMT produced during the previous year. Your Company has also produced 6.04 LMT of Suphala as compared to 5.77 LMT produced during the previous year. In terms of Nutrients, your Company has produced 10.41 LMT of "N", 0.91 LMT of "P2O5" and 0.91 LMT of "K2O" as compared to 10.88 LMT of "N", 0.87 LMT of "P2O5" and 0.87 LMT of "K2O"respectively during the previous year.

Industrial Products

Your Company produces industrial chemicals at its both units. During the year, your Company produced approx.4.53 lakh MT of various major industrial chemical products as against approx. 5.08 lakh MT during the previous year.

Your Company produces, amongst others, Ammonium Nitrate Melt, Ammonia, Ammonium Bicarbonate, Dilute Nitric Acid 58%, Conc. Nitric Acid 98%, Strong Nitric Acid,(72% & 68%), WSA, Sulphuric Acid, Argon, Nitrogen, MMA, Dimethyl Acetamide, TMA, Refrigerant Ammonia, Water, Methtl formate etc.

PRICING POLICY

Urea:

In case of urea, the farm-gate price is notified by the Government from time to time, so also the dealer's margins are indicated. The concessions to the units are given under various policies from time to time. Effective from 1st June, 2015, Urea is governed by New Urea Policy 2015 (NUP 2015) under which units are divided into three groups based on preset energy norms. As per NUP 2015, energy norms have been tightened focusing on energy reduction being achieved by Urea units and further tightened from 1st April, 2018 in respect of Thal unit and from 1st October, 2020 in respect of Trombay Unit for production beyond the Re-assessed capacity (RAC) i.e.

100% of capacity, the unit will be entitled for the respective variable cost and uniform Per MT incentive equal to the lowest of Per MT fixed cost of all the indigenous Urea units subject to maximum of import parity price (IPP) plus weighted average of other incidental charges which the Government incurs on imported urea.

To address the issue relating to availability and pricing of gas for Urea sector, Government of India has announced Pooling of Gas in Fertilizer (Urea) Sector, effective from 1st June, 2015 wherein all Urea manufacturers are entitled to gas for Urea production at the weighted averaged pooled price of Domestic gas and Imported RLNG. This has encouraged Urea units to operate at full capacity during the year in sync with the Government policy of "Make of India".

P&K fertilizers:

P&K fertilizers are covered under Nutrient Based Subsidy (NBS) scheme. Under the NBS, the subsidy rates for nutrients 'N', 'P' 'K' and 'S' are notified by the Government on an annual basis. Selling prices are determined by the Company depending on costs of production, seasonal conditions, demand in field, competitors' pricing, etc. In addition to NBS, units are also entitled for compensation towards freight expenses based on uniform freight policy.

Direct Benefit Subsidy (DBT):

Effective from February, 2018, settlement of subsidy under DBT has been rolled out on PAN India basis. DBT based subsidy is certainly contributing to rationalisation of subsidy bill of Government of India and also enable targeted disbursement of subsidy. However, since availability of stock all over the year needs to be ensured, this is straining the working capital of fertilizer companies as erstwhile they were being compensated based on receipt dispatches. Further DBT subsidy settlement has been delayed due to exhaustion of Government Budget allocated towards Fertilizer Subsidy leading to higher Working Capital requirement and increased finance costs.

Impact of Government policies on IPD marketing

Government has liberalized import of chemicals to meet the ever increasing consumption level of chemicals in almost all sectors of the economy. International manufacturers are having huge production capacities thus benefiting from the economies of scale, making available their products at a cheaper rate compared to domestic manufacturers which has put strain on producing products like Methanol, DMAc, DMF, Formic Acid, Sodium Nitrate/Nitrite. As a result, our plants like Methanol, DMAc, DMF, Formic Acid & Sodium Nitrate/ Nitrite are shut down due to unviability since long. Cheaper imports & our high cost of production has made Methanol, DMF, DMAc, Formic Acid, Sodium Nitrite/ Nitrate difficult to run.

DISCUSSON ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Review of the financial performance

During the year, your Company achieved Revenue from Operations of ₹ 16933.64 crore as against ₹ 16981.31 crore in previous year (PY). Profit Before Tax (PBT) during the year, stood at ₹ 327.50 crore as against ₹ 303.63 Crore in the PY. This improvement was primarily due to better margins of Industrial products and Complex Fertilizers. Further during year profitability was adversely impacted due to losses incurred on DAP imports, which were undertaken as per the directives of the Department of Fertilizers (DoF) and sold at a capped MRP. Despite additional compensation of ₹ 3,500 PMT and policy announcements aimed at mitigating adverse import price variations, margins remained under pressure. Further, under-recoveries continue to persist, aggravating the overall impact. Profit After Tax (PAT) stood at ₹ 241.63 crore as against ₹ 227.74 Crore.

Your Company achieved fertilizer sales volume of 36.76 lakh MT during 2024-25 as compared to 36.01 lakh MT during the previous year. The Total sale of manufactured fertilizers during 2024-25 was 27.11 lakh MT as against 27.17 lakh MT during the previous year. Sales of fertilizer products registered increase of 2% over previous year.

Your Company produced 26.95 lakh MT of fertilizers (20.65 lakh MT of Urea, 0.26 lakh MT of Sulphur Coated Urea & 6.04 lakh MT of Suphala 15:15:15) during the year as against 27.58 lakh MT of (21.77 lakh MT of Urea, 0.04 lakh MT of Sulphur Coated Urea & 5.77 lakh MT of Suphala 15:15:15) produced during the previous year.

Energy Consumption

The energy consumption achieved during the year ended March 31, 2025 as compared to the previous year ending March 31, 2024 is given below:

Gcal/Mt

Plant	For the year 2024-25	For the year 2023-24
Ammonia Trombay-V	8.553	8.613
Ammonia Thal	8.463	8.292
Urea Thal	5.896	5.766
Urea Trombay	6.495	6.501

Energy at Thal Unit was higher as compared to previous year due to unforeseen breakdown of rotating equipment.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS

TRAINING AND DEVELOPMENT

Human Resource Development (HRD) at RCF focuses on building a Learning Ethos of Proficient Human Capital for attaining Organizational Excellence which harness a Learning Culture among employees for their Growth & Well-being.

It adopts innovative Learning & Development techniques aligned to business objective for enhancing employee competencies, skills sets, and engagement & empowering them to achieve excellence. HRD at RCF focuses on development of Functional, Managerial and Behavioural Competencies of employees along with expertise sharing for other organizational and institutional progression.

Continuous grooming of employees provides them with empowerment and motivation to achieve excellence. Effective training and development activities at RCF helps achieve ; Organizational Goals, Increase Productivity, Motivate Employees, Maintain Smooth Team integration, Enhance Workforce empowerment, Employee Retention & improve overall organizational culture.

Human Resource Development (HRD) in your Company focuses on innovative Learning & Development techniques aligned to business objectives.

During the year 2024–25, in all 203 internal training programs were conducted as per the Annual Training Calendar with 3089 beneficiaries of these programmes. In addition, 257 employees attended 127 external training programs on specialised subjects.

The Strategic Role of HRD

A) To Build & Strengthen a Value Based Learning Culture Organisation

Few programmes conducted with this objective are:

- **Yoga Day** Celebrations which included practical training along with meditation techniques a step towards spirituality and sharing the importance in day to day working.
- RCF observed the **International Day of Persons with Disabilities** by organizing a dedicated session centred on the global theme: "Amplifying the Leadership of Persons with Disabilities for an Inclusive and Sustainable Future." This meaningful event was specially conducted for our (PWD) employees, providing a platform to recognize their contributions, inspire leadership, and foster inclusion within the organization.
- **Vigilance Awareness Week** celebration included a Hybrid session for employees on "Awakened on Cyber Security".
- **International Women's Day** was celebrated with a series of co-curricular activities being organized for women employees. Two skits were performed on the occasion of Women's Day on **Women's' financial empowerment and Eve Teasing** at Thal unit. At Trombay Unit, The celebration was graced by **ACP Dr. Deepali Dhate**, who delivered a keynote address that left a lasting impact on all attendees. This was followed by two significant wellness sessions, a Tuberculosis (TB) awareness session and a sound healing session. The energy of the event was kept high throughout by Mr. Emcee Fabian, who conducted a series of fun games and interactive activities. The celebration ended with cultural activities by the women employee and a lucky draw.
- **International Men's Day** was celebrated at RCF for promoting gender equality in the workplace. Your Company believes that gender equality is not just an aspiration, but a lived reality. A world where bias, stereotypes, and discrimination based on gen. der are eradicated. An online Session on **"Positive Masculinity: support positive male role models and encourage boys and men to express their emotions and vulnerabilities"** was conducted by Arun Naik, a renowned Trainer and Consultant Psychologist from IPH. Essay, Slogan & Poster making competitions were also conducted declared during the online session.
- "**Swachhta Hi Seva**" campaign, a campaign promoting cleanliness and sanitation, was actively celebrated within RCF. CMDC Department organized an online session on "**Health & Hygiene**" for RCF employees as part of the "Swachhta Hi Seva" campaign. The campaign aimed to foster a clean and sustainable work environment and promote the spirit of Swachh Bharat.

B) Learning and Development strategies for different positions of the workforce

Every position in the organisation is of immense importance. We execute learning intiatives based on the position.

- **Management Development Program** for new Managers to build in traits to handle new challenges.
- **Leadership Development Program** for employees who have taken Head of Department postions (Chief Managers) to perform leadership roles.
- Personal Effectiveness and Productivity for the **Medical Team**.
- Personal Effectiveness for various level of officers.

C) Develop People Capabilities

RCF believes in on-going investment in its Human capital by supplementing with new learning.

- **Specialized Programmes**

- **Awareness on Cyber Securty -** Session addressed the common cyber threats and attacks that an organization/individual may face and the preventive measures that can be taken for safeguarding. Cybersecurity is critical because

it helps to protect organizations and individuals from cyber attacks. Cybersecurity can help to prevent data breaches, identity theft, and other types of cybercrime.

- A comprehensive Training Program on **Rosters and Reservation Policies** was conducted for the representatives of SC/ST and OBC Associations, along with HR personnel, with the aim of raising awareness and promoting a deeper understanding of the reservation framework..
- **QC & LQC -** Tools & techniques.
- Problem solving by using QC- Tools & techniques.
- As part of our knowledge-sharing initiative, the HRD department has organized a **Short-Term Training Program for engineering students, offering practical, hands-on training in ERP systems**. Additionally, we provided specialized ERP training for HR students pursuing their Master's in Management Studies, equipping them with the skills to leverage ERP tools effectively from the very beginning of their careers in the corporate world.

- **Cross-functional Learning opportunity:** It improves communication and transparency within the organization as employees are aware and engaged. It leverages the diverse skills and specialized knowledge of each team member to brainstorm better ideas, solve difficult problems, and achieve better outcomes in an organization.

- **"Finance for Non-Finance"** is a training program typically tailored for professionals in departments like operations, HR, marketing, sales, IT, Production and others who need to understand how financial aspects affect their roles and decisions.
- Treasury, Trade Finance and Forex - various sessions related to finance related issues for Fiance Team.
- A specialized **Contract Management and Vigilance Awareness Program** was organized for RCF employees focusing on key aspects of contract lifecycle management-including planning, execution, monitoring, and compliance-while also emphasizing the critical role of vigilance in preventing fraud, corruption, and procedural lapses.

D) Implementation of On-Boarding journey for New Hires to align with company culture

- Welllness Program: Mental Health & Financial Wellness for the new hires
- Soft Skills Inputs on Self- Awareness and Behavioural and Managerial inputs.
- Induction training including organisational, Functional inputs and plant viisit for new joiners in Finance discipline and Marketing discipline officers.
- Basic SAP Module Awareness
- **Mentor Mentee Programmes**

  Mentoring initiative helps the new joiners with the initial teething problem, settling in their work area and get accustomed to the organization culture. The Mentorship Program is monitored for a period of one year with compulsory meeting of the Mentor and Mentee on quarterly basis (i.e. 4 meetings in a year) with an action plan being put down by the Mentor for the Mentee growth and development, in consultation with the Mentor's HOD.

The Mentors and Mentees are trained before the Mentoring process begins.

- Training program was conducted to raise awareness about **POSH (Prevention of Sexual Harassment)**.

E) Motivate and Engage Employees

Engage employees by providing them with opportunities to learn and develop new competencies.

- **Motivational Talk series for employees & their family members.**

  To bring a positive mind-set among all employees and their family members, inspirational talks, on success mantra, Mental & Health Well-being sessions are organised by inviting eminent speakers. Motivational talk on Emotional Intelligence for success by TED-X Speaker, Mr. Jhankar Gadkari and Corporate Kirtan by Mr. Sameer Limaye were organized.

- **Finanancial Planning Programme:** Retirement Planning program for employees and their spouse help them in the transtion from one phase of life to another with positive mindset. Financial Planning for superannuating employees provides them diretion to invest in proper manner along with interaction with various Annuity Service Providers for best investments.

- **HRD Aapke Dwar – Connect With employees**

  Learning at their doorstep which is time effective & cost effective without disturbance to their work schedules are conducted.

- Technical product presentations (3 Nos.) in collaboration with external vendors were also organized for our employees to enrich in latest technologies. Total 69 employees have participated in these 3 training programs.

F) Expertise sharing for other organization:

Expertise sharing for other organizational and institutional progression along with Knowledge Exchange with Academic Institutes .

- Internship Training & On-the Job training – Students are provided exposure to various function which is a requirement of their academic curriculum.
- ERP Workshop on Material Module, Production Planning and Sales & Distribution module for Management Students.

G) On-Line/ E- Learning Courses

To provide the necessary learning by the experts, cost saving online courses are organised which are faster and effective mode to reach our employees:

- General Instructions on Procurement for Marketing Team
- Cyber Security Awareness for Marketing Team
- EPS Awareness Session
- New/Old Tax Regime Awareness Session
- RCF CDA Rules

H) Digital Skilling : To enable a future-ready digital workforce:

- **SAP Plant Maintenance Module (Advanced & Basic):** Incudes inspection, notifications, corrective and preventive maintenance to maintain an ideal technical system.
- **Computer Awareness program** for employees
- **Quality Circle 12 steps for Power Point Presentation** to prepare effective presentations.
- **SAP Materials Management, SAP Finance, SAP Sales & Distribution. SAP Production Planning** for the Corporate Technical Team to understand the functionality.
- "**Advance Excel**" Training program for RCF Employees.

I) Pre Recrutment Awareness Program:

The program is designed to motivate and guide applicants shortlisted for the RCF Recruitment Online Test, whether for Officer or Non-Officer positions, aimed at filling various positions across different disciplines. Its primary focus is to provide candidates with a clear understanding of how the online written test will be conducted.

To further support the applicants, sample question videos are made available on the RCF website, providing them with a practical understanding of the test format and allowing them to practice ahead of time.

J) Contractors, Mathadis, Tanker Drivers and Cleaners Safety Awareness Program:

- Health & Safety Training Programs were organized for **Contractual workers / Mathadi workers**: Twelve training programs were conducted on topics of "Overview & demonstration of firefighting equipments, Use of PPEs & safety practices at workplace, Rescue techniques & methods in emergency, Basic first aid, CPR & Health awareness, Personal hygiene, cleanliness, diet & exercise, behavior based safety, General awareness about safety; Safety measures & Safety precautions at Workplace."
- Five Safety Programs were organized for **Tanker Drivers & Cleaners** transporting Hazardous Chemicals. The topics were 'Safety awareness session for transporters of hazardous chemicals, Use of PPEs & Safety practices at workplace.'
- Three dedicated training programs for **Mathadi workers** related to "Overview of bagging operations & utilization of resources in bagging, maintenance activities in Bagging, Mathadi Act, roles and responsibilities of **Mathadi Board, roles & responsibilities of Mathadi's" on work were organized**.

K) Knowledge Sharing with Professional Institutes:

- We have signed a Training Agreement with '**Suvidya Institute of Technology, Mumbai**' (SIT) for providing industrial visit to their course participants. Suvidya Institute of Technology Pvt. Ltd, Mumbai which is an ISO-9001: 2015 certified organization, providing industry specific training in sector like Energy, Chemical and FMCG. **In the year 2024-25**, Nine (09) training programs were organized for the 'Piping Engineering students', 'Engineering drawing and drafting', MPED, Process and Electrical and Structural course participants from this institute.

L) Act Apprentices Training & Operation of Government Portals:

- RCF regularly engages Act apprentices from **Board of Apprenticeship Training, Western Region, Mumbai (BOAT)** and **Regional Director-ate of Skill Development Enterpreneurship, Mumbai (RDSDE)** and provides them their respective discipline wise training. **Total 236 Act apprentices were engaged during the FY 2024-25**.
- The BOAT/RDSDE apprentices are engaged in the N**ATS Portal/NAPS** portal under the guidelines of **Ministry of Skill Development and Entrepreunership (MSDE)**, Govt. of India. They are provided basic training/ theory lectures/ practical classes at the Training Centre in addition to on the job training which they receive

in the respective plant/department as per their trade of apprenticeship.

M) **Prime Minister's Internship Scheme (PMIS):**

- RCF has registered in Prime Minister's Internship Scheme-Pilot Project arranged by **Ministry of Corporate Affairs, Govt. of India**.
- RCF has created and **uploaded 60 internship opportunities** with due date of 15/10/2024 in the Prime Minister Internship Scheme portal (PMIS). The process of selection of interns based on the list provided by the portal are being carried out in phases till the 60 internship opportunities get filled.
- One intern is engaged in Phase 1. Now, phase-2 is in progress for 59 opportunities to be filled.

INDUSTRIAL RELATIONS

Your Company maintained cordial and harmonious Industrial Relations with all its employees. All the issues are settled amicably through regular discussions, meetings and dialogues with the employees. There was no occurrence of any untoward incident during the year.

Your Company has 2620 employees comprising 1285 Officers and 1335 non-officers, as on 31st March, 2025 compared to 2526 employees (1313 officers and 1213 non-officers) as on the corresponding date of the previous year.

During the year, 275 employees of various streams have joined your Company.

Your Company has conducted medical checkup for employees.

MATHADI CONTRACT LABOUR MANAGEMENT

Your Company believes that Communication and Trust are the pillars of Cordial and sustainable industrial relations. Transparency and Compliance of applicable labour laws reflect the commitment of your company towards the welfare and well-being Contract workers and Mathadi workers.

Your Company adhere to all relevant statutory requirements and abide by all applicable laws to contract labour. We work towards ensuring safe working conditions and fair wages to all including contract labour employed with Contractors of RCF.

Time to time, meetings are held with the stakeholders. The Mathadi Railway Labour Board for issues related to Directly registered Mathadi at Trombay Unit, their unions and the State Labour authorities.

Problems/ issues concerning Contract labour are also discussed on appropriate platforms, confidence building measures are implemented to ensure that contract workers feel as partners in RCF's growth.

Timely guidance and assistance is sought from the Dy. Labour Commissioner's office and DISH authorities to make sure that your company remains a flag-bearer in the safety, wellbeing of Contract and Mathadi workers.

GRIEVANCE REDRESSAL

Grievance Mechanism system including online grievances was strengthened through various forums and with the Statutory Appointments as Liaison Officers for SC/ST/ OBC/PWBD separately including Grievance Officer for PWBD.

WELFARE AND SPORTS

Your company is one of the few companies who takes a lot of care of its employees not only at working place, but extends its relation beyond working place with the families of employees, by organizing various programmes like Annual Day, Family Day out, Women's Day etc.

Employee centric wellness and wellbeing activities was also strengthened during the period by way of preventive medical check-ups, camps and wellness sessions like Yoga, indoor games etc. Employees and their family members' engagement was also encouraged through Annual Events and Cultural Programs.

RECOGNITION AWARDS

Employees are felicitated annually which recognizes their performance. Based on employee performance there are various awards which have been introduced and they are felicitated annually.

Our Retired employees who have put their best efforts are recognized for their contribution in each month. Felicitation of Retired employees in the Morning Meeting is arranged at Suraksha Bhawan. The programmes are being highly appreciated by the employees. These HR initiatives are proved to be very effective.

The other awards for current employees which are given on Republic Day function i.e. 'Behind the Scene', 'Good Health', 'Manaviyata Puraskar', 'Pearl Award', 'Corporate Excellence Award', 'Best Mentor Award' etc. The award given on Womens Day is 'Women of Excellence Award'. The award is given on QC Convention programme is 'Sarvashreshth Divyangjan Award' etc.

On the Social Security Front, EPFO Mumbai Office recognised RCF for speedily completing online processes related to Provident Fund and Pension in the manufacturing larger unit sector.

Every active member of RCF has KYC compliance, UAN activated and linked with EPFO portal and the entire online exercise on implementation of Section 142 of Social Security Code in a record time, resulting Pension claim settlement within the same month of Retirement @ 58 years.

E-Nomination, E-life certificate and online claim facility has been provided through help desk to all active and retired employees.

Overall Industrial relations appears to be normal and brought under manageable dimensions after overcoming some issues of inter Unions, inter groups conflicts without affecting day to day productivity.

WELFARE / EMPLOYMENT OPPORTUNITY TO WEAKER SECTION

The guidelines in respect of reservation in recruitment and promotion of SC/ST, OBC, EWS, Ex- Servicemen and Person with Benchmark Disability are followed by your company. As on 31st March, 2025, your company has on its rolls, 423 employees belonging to Scheduled Caste, 196 belonging to Scheduled Tribe and 752 Other Backward Classes, 61 EWS, 1 Ex-servicemen & 41 PWBD.

Your company is committed to the welfare of SC/ST, OBC and EWS employees. Regular meetings are held with SC/ST Employees Welfare Association, RCF OBC Employees Association to address grievances, if any, and for providing guidance for development and organized Training programme on Reservation Policy.

Your company has celebrated every year Birth Anniversary of Dr. Babasaheb Ambedkar in both Buddha Vihar, Chembur and Thal, Alibag, Kurul Colony. The programmes such as puja and lunch were organized.

Medical camp was organized like every year at Chaitya Bhoomi, Dadar on 6th December, on the occasion of 'Mahaparinirvan Day'. Financial assistance for distribution of food packets and making arrangement for medical camp including medicines along with the vehicles and Doctors was made available by the company on this occasion.

WOMEN ORIENTED PROGRAMME INITIATIVES

As per the directions of the Ministry, RCF WIPS (Women in Public Sector) CELL is formed in your Company which caters to the needs of female employees and meets on Quarterly basis to discuss the issues/initiatives like programme on mentoring, welfare measures like starting the crèche facility, procuring sanitary napkin's vending machine etc. Recommendations of the cell duly considered for implementation of the Management.

Your Company has also framed its own 'Gender Equality Policy'. With an objective to create awareness amongst all the employees about Gender Equality E- Learning Module on Gender Sensitization has been launched on RCF Intranet and On- Line Gender Sensitization programme. Laminated copies of Gender Equality Policy and Zero Tolerance to Sexual Harassment policy are displayed in the offices of GMs and above level. The Crèche facilities started for Women employees at Trombay are now extended that of Male Employees.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

Sr. No.	Particulars	2024-25	2023-24	% Change	Reasons
1	Debtors Turnover (Days)	71.67	66.18	8.29	Market conditions warranting extended credit terms and build of subsidy receivables
2	Inventory Turnover (Days)	23.94	26.27	(8.85)	Decrease in inventory and reduced revenue from operations
3	Interest Coverage Ratio	3.31	3.70	(10.63)	Higher Interest and low profitability
4	Current Ratio	1.42	1.45	(1.82)	Decreased in Current Assets
5	Debt Equity Ratio (Long Term Borrowings incl Current Maturities)	0.33	0.30	7.77	Increased borrowings
6	Operating Profit Margin (%)	3.98	3.03	31.49	Better performance in Complex and IPD products
7	Net Profit Margin (%)	1.43	1.34	6.40	Better performance in Complex and IPD products
8	Change in return on Net Worth	5.08	4.93	3.00	Improved Profitability

DISCLOSURE OF ACCOUNTING TREATMENT

The financial statement for the year ended March 31, 2025 are prepared in compliance with IND AS as prescribed under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' and actual results may or may not be in accordance therewith. The Company's performance is dependent on several external factors such as performance of monsoon, significant changes in economic environment, Government Policies, fluctuations in prices of raw material and finished products and also their availability, etc., which could adversely affect the operations of your Company.

Annexure - III

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
Rashtriya Chemicals and Fertilizers Limited
CIN: L24110MH1978GOI020185

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Rashtriya Chemicals and Fertilizers Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2025** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowings. The Company does not have any Foreign Direct Investment and Overseas Direct Investment during the financial year.

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018#;

   d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021#;

   e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

   f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021#;

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018#; and

   i. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

   # The Regulations or Guidelines, as the case may be were not applicable for the period under review.

vi. The list of Acts, Laws and Regulations specifically applicable to the Company are given below:

   i. Guidelines on Corporate Governance for Central Public Sector Enterprise (CPSEs) 2010 ["DPE Guidelines"]; and

   ii. The Fertilizer (Control) Order, 1985.

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

i. Secretarial Standard 1 and 2 issued by The Institute of Company Secretaries of India.

ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["Listing Regulations"].

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to the extent applicable and subject to the following observations –

a) i. As per Regulation 17(1)(a) of the Listing Regulations, board of directors shall have an optimum combination of executive and non-

executive directors with at least one woman director and not less than fifty percent of the board of directors shall comprise of non-executive directors. The Company did not have requisite number of non- executive directors from November 05, 2024 to March 31, 2025.

ii. As per the proviso of Regulation 17(1)(a) of the Listing Regulations, the Board of directors of top 1000 listed entities shall have at least one independent woman director. The Company was in top 1000 listed entities on the basis of market capitalisation as at March 31, 2024 and the Company did not have an independent woman director on its Board from April 1, 2024 to March 31, 2025.

iii. As per Regulation 17(1)(b) of the Listing Regulations and DPE Guidelines, the Chairman being an Executive Director, at least half of the Board of Directors should be comprised of Independent Directors and as per section 149(4) of the Act at least one-third of the total number of Directors shall be Independent Directors. The Board of Directors comprised of six Directors, constituting of four Executive Directors (including the Chairman & Managing Director) and two Nominee Director (non-executive) as on March 31, 2025 and therefore, the Company did not have requisite number of Independent Directors from April 01, 2024 to March 31, 2025.

iv. As per Regulation 17(1)(c) of the Listing Regulations, the Board of Directors of the top 2000 listed entities shall comprise of not less than six directors. The Board of Directors comprised of five directors from November 05, 2024 to January 27, 2025 and therefore, the Company did not have at least six directors for the aforesaid period.

v. As per Regulation 17(2A) of the Listing Regulations, the quorum for every meeting of the board of directors of the top 2000 listed entities shall be one-third of its total strength or three directors, whichever is higher, including at least one independent director. There was no Independent Director present in the Board meetings held on November 13, 2024, February 12, 2025 and March 17, 2025 and hence, requisite quorum was not present in the aforesaid Board meetings.

b) i. As per Regulation 18(1)(b) of the Listing Regulations and DPE Guidelines, at least two-thirds of the directors shall be independent directors and as per section 177 of the Act, the Audit Committee shall consist of a minimum of three directors with independent directors forming a majority. The Audit Committee did not have requisite number of Independent Directors from April 01, 2024 to March 31, 2025.

ii. As per Regulation 18(1)(d) of the Listing Regulations and DPE Guidelines, the chairperson of the audit committee shall be an independent director. The Audit Committee did not have an Independent Director as the Chairperson for the period from November 05, 2024 to March 31, 2025.

iii. As per Regulation 18(2)(b) of the Listing Regulations and DPE Guidelines, the quorum for Audit Committee meeting shall either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors. The requisite quorum was not present during the Audit Committee meetings held from April 01, 2024 to March 31, 2025.

c) i. As per Regulation 19(1)(b) of the Listing Regulations and DPE guidelines and as per section 178 of the Act, all the directors of the Nomination and Remuneration Committee shall be non-executive directors. The Nomination and Remuneration Committee comprised of Whole Time Directors from April 01, 2024 to March 31, 2025.

ii. As per Regulation 19(1)(c) of the Listing Regulations and DPE guidelines, atleast two-thirds of the directors shall be independent director and as per section 178 of the Act, not less than one-half of the directors shall be independent director. The Nomination and Remuneration Committee did not have requisite number of Independent Director from April 01, 2024 to March 31, 2025.

iii. As per Regulation 19(2) of the Listing Regulations and DPE Guidelines the Chairperson of the Nomination and Remuneration Committee shall be an independent director. The Nomination and Remuneration Committee of the Company did not have an Independent Director as the Chairperson for the period from November 05, 2024 to March 31, 2025.

iv. As per Regulation 19(2A) of the Listing Regulations, the quorum for Nomination Remuneration committee meeting shall either be two members or one third of the members of the Nomination and Remuneration Committee whichever is greater, with at least one independent director. No Independent director was present in the Nomination and Remuneration meetings held on February 12, 2025 and March 17, 2025. Hence, requisite quorum was not present in the aforesaid Nomination and Remuneration Committee meetings.

d) i. As per Regulation 20(2) of the Listing Regulations and Section 178(5) of the Act, the

chairperson of the Stakeholder Relationship Committee shall be a non-executive director. The Stakeholder Relationship Committee did not have chairperson as non-executive director from November 05, 2024 to March 31, 2025.

ii. As per Regulation 20(2A) of the Listing Regulations, the Stakeholder Relationship committee shall have at least three directors, with at least one being independent director. The Stakeholders and Relationship Committee did not have an Independent Director as a member from November 05, 2024 to March 31, 2025.

e) As per Regulation 21(2) of the Listing Regulations, the Risk Management Committee shall have minimum three members with majority of them being members of the board of directors, including at least one independent director. The risk Management Committee did not have an Independent Director as a member from November 05, 2024 to March 31, 2025.

f) As per Regulation 25(3) of the Listing Regulations, the Independent directors of the Company shall hold at least one meeting in a financial year, without the presence of non-independent directors and members of the management. The Company did not held meeting of Independent Directors from April 01, 2024 to March 31, 2025. Further, the Company has not conducted performance evaluation of the Board as prescribed in Regulation 25 (4) Listing Regulations.

g) As per Section 135(1) of the Act, the Corporate Social Responsibility committee shall consist of three or more directors, out of which at least one director shall be an independent director. The Corporate Social Responsibility committee of the Company did not have an Independent Director as a member for the period from November 05, 2024 to March 31, 2025.

We report that the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") have imposed fine on the Company for non-compliance of certain provisions of Regulation 17, Regulation 18, Regulation 19, Regulation 20 and Regulation 21 of the Listing Regulations aggregating to ₹ 46,00,820 each from NSE and BSE during the Financial Year 2024-25.

We further report that –

Subject to foregoing, the Board of Directors of the Company is constituted of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance other than those held at shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the period under review, decisions were carried through unanimously and no dissenting views were observed, while reviewing the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has undertaken the following events / actions –

1. Members' approval was obtained by way of special resolution at the 46th Annual General Meeting held on September 30, 2024 with respect to:

   a. raising of capital by way of issuance of secured or unsecured non-convertible debentures (NCDs) up to an amount of ₹ 1,400 Crores through Private Placement Issue.

   b. Adoption of new set of Articles of Association of the Company

2. The Debenture Allotment Committee of the Company on August 07, 2024 has approved the allotment of 30,000 Listed, Unsecured, Rated, Redeemable, Taxable, Non-Convertible Bonds in the nature of Debentures (NCDs) of face value of ₹ 1 lakh each aggregating to ₹ 300 crore at a coupon rate of 7.99% p.a. payable annually on private placement basis.

3. The Company has redeemed 3000 Listed, Unsecured, Rated, Redeemable, Taxable, Non-Convertible Bonds in the nature of Debentures (NCDs) of face value of ₹ 10 lakh each aggregating to ₹ 300 crore having ISIN INE027A08010 on January 31, 2025.

For **Bhandari & Associates**
Company Secretaries
Unique Identification No.: P1981MH043700
Peer Review Certificate No.: 6157/2024

S. N. Bhandari
Partner
FCS No: 761; C P No.: 366

Mumbai: August 12, 2025
ICSI UDIN: F000761G000982907

This report is to be read with our letter of even date which is annexed as Annexure 'A' and forms an integral part of this report.

'Annexure A'

To
The Members,
RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED
CIN: L24110MH1978GOI020185

Our Secretarial Audit Report for the financial year ended on March 31, 2025 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Bhandari & Associates**
Company Secretaries
Unique Identification No.: P1981MH043700
Peer Review Certificate No.: 6157/2024

S. N. Bhandari
Partner
FCS No: 761; C P No.: 366

Mumbai: August 12, 2025
ICSI UDIN: F000761G000982907

Annexure - IV

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO (SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014

A. CONSERVATION OF ENERGY

Your Company has taken several steps during the year 2024-25 which has resulted in significant reduction in the energy consumption

(i) STEPS TAKEN FOR CONSERVATION OF ENERGY

Ammonia V Plant

- Steam Super Heater Coil in Primary Reformer convection zone replaced.
- Feed Preheat Heater Coil in Primary Reformer convection zone replaced.
- The Existing APH to accommodate new Hot water coil at downstream of was replaced.
- Steam super heater burner replaced to increase the heat duty.
- AG preheat coil in convection section replaced.
- Air Pre-heater in the convection section replaced.

  Water heater was introduced in the lean solution circuit upstream (Benfield fan coolers).
- New ammonia Interstage chiller and Ammonia wash column in 2nd stage discharge of NSGC was installed.
- New hot water fired VAM and interstage chiller 1st stage discharge of the NSGC was installed.
- Cooling tower Fan A replaced with improved design.

➢ **Urea Plant**

- Old carbamate ejector replaced with new ejector

➢ **AMMONIA I PLANT**

- Primary and secondary Reformer catalyst replaced

➢ **Steam Generation Plant**

- New CW pump-02 with higher capacity installed.

➢ **NITRIC ACID PLANT**

- Utilizing Air from SGP IR-2 Compressor in MPNA plant process as secondary air

➢ **SAP-CNA**

- Installation of Horizontal pump for Molten sulphur Unloading from Tanker to Clean Tank

THAL UNIT

➢ 14 nos. of energy efficient motors were installed in place of conventional motors in Ammonia Plant, Urea Plant and Steam Generation Plant. Energy saving is 0.581 Lakhs KWh per year.

➢ New 30KWp solar power plant installed & commissioned at new civil building. Energy saving is 0.473 Lakhs KWh per year.

Additional investment and proposals being implemented for reduction of consumption of energy

➢ Ammonia Technology Supplier M/s HTAS has studied and suggested modification, new installations to reduce energy consumption by 0.4 Gcal/MTof Ammonia in Ammonia Plant without capacity enhancement. The scheme is under implementation.

➢ It is proposed to install 02 nos. of additional cooling tower cells in each Ammonia stream to reduce Cooling water temperature by 3 Deg. C (Expected energy saving is 0.037 Gcal/MT of Urea). The scheme is under implementation.

➢ It is proposed to install new urea reactors (R1) with Super Cup Trays for Urea-11 and Urea31 for reduction of steam consumption in Urea Plant (Expected energy saving is 0.006 Gcal/MT of urea). New reactors will be installed in October 2025.

➢ Urea Technology Supplier M/s SAIPEM is studying Urea plant and will suggest modification, new installations to reduce energy consumption by 0.073 Gcal/MT of urea in Urea plant.

➢ It is proposed to install Ultrafiltration in Water Treatment Plant to minimise Silica in DM water. This will reduce energy losses through excessive blow down of service boilers and waste heat boilers (Expected energy saving is 0.004 Gcal/MT of urea). The scheme is under implementation.

➢ Installation of Briquette Fired boiler of capacity 15 MT/hr to supply steam for non-Urea product. Plant is commissioned in the month of May 2025.

(ii) STEPS TAKEN BY THE COMPANY FOR UTILISING ALTERNATE SOURCES OF ENERGY

THAL UNIT

- New 30KWp solar power plant installed & commissioned at new civil building. Energy saving is 0.473 Lakhs KWh per year.
- Proposed installation 150KWp rooftop solar power plants, expected completion in Nov. 2025.
- Proposed installation 300KWp rooftop solar power plants at Kurul township, expected completion in Nov. 2025
- 500KWp Ground Mounted Solar Electricity Generation Plant Phase-I at PHP, Expected completion by July 2025
- 13no's energy efficient 5star rating window AC's, expected completion by July 2025.

TROMBAY UNIT

- 2 MWp Ground mounted Solar Power Plant in Trombay unit.
- 370 kWp rooftop solar power plants.

(iii) CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENT

The Company has made capital investment of ₹70.15 Crore on energy conservation equipment.

B. TECHNOLOGY ABSORPTION

I. **Major efforts made towards technology absorption**

New urea reactor (R1) with Super Cup Trays for Urea-11 and 31 are procured and installation is expected in the month of Oct. 2025.

New generation high efficiency super cup trays are patented by M/S Saipem who is Technology supplier of Urea plant. This will reduce medium pressure steam consumption in the plant, thus lower energy consumption.

II. **The benefits derived like product improvement, cost reduction, product development or import substitution**

Nil

III. **Information regarding imported technology (Imported during last three years)**

Sr. No	Details of Technology Imported	Year of import	Whether the technology has been fully absorbed	If not, area where this has not taken place, reasons thereof
	Nil	Nil	Nil	Nil

IV. **Expenditure incurred on Research and Development (On Standalone basis)**

Sl No.	Particulars	Amount ₹ in Crore)
1.	Capital	1.71
2.	Recurring	7.14
3.	Innovation Schemes	29.44
4.	Total	**38.32**
5.	Total R&D expenditure as a percentage of total turnover	0.22
6	Total R&D expenditure as a percentage of PBT	11.70

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Sl No.	Particulars	Amount ₹ in Crore)
i.	Total foreign exchange earned	156.81
ii.	Total foreign exchange used	5,801.05

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I) Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L24110MH1978GOI020185
2.	Name of the Listed Entity	Rashtriya Chemicals and Fertilizers Limited
3.	Year of incorporation	1978
4.	Registered office address	Priyadarshini, Eastern Express Highway, Sion, Mumbai 400 022
5.	Corporate address [1]	Priyadarshini, Eastern Express Highway, Sion, Mumbai 400 022
6.	E-mail [2]	investorcommunications@rcfltd.com
7.	Telephone [3]	022-2552 3000
8.	Website	www.rcfltd.com
9.	Financial year for which reporting is being done	2024-25
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited & BSE Limited
11.	Paid-up Capital	INR 551,68,81,000
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report [4]	Shri G. Seshadri, Executive Director (Project, Co-ordination, Corporate & IT) Tel. No.: 022 25523071 email id: corptech@rcfltd.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together). [5]	Standalone
14.	Name of assurance provider	Nil as same has not been undertaken
15.	Type of assurance obtained	Nil as same has not been undertaken

II) Products/services

16. Details of business activities (accounting for 90% of the turnover): [6]

S. No	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing and Marketing of Fertilizers and chemicals	Manufacturing and sale of fertilizers & industrial chemicals	99.03

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover): [7]

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Urea	20121	46.52
2	Complex Fertilizers	20122	15.01
3	Traded fertilizers	46692	26.68
4	An Melt	20123	5.44
5	Ammonia	24121	1.69
6	Nitric Acid	24121	0.94

[1] GRI 2-1, [2] GRI 2-3, [3] GRI 2-3, [4] GRI 2-3, [5] GRI 2-2, [6] GRI 2-6, [7] GRI 2-6

III) Operations

18. Number of locations where plants and/or operations/offices of the entity are situated: [8]

Location	Number of plants	Number of offices	Total
National	2	51	53
International	Nil	Nil	Nil

19. Markets served by the entity:

a. **Number of locations [9]**

Location	Number
National (No. of States)	24
International (No. of Countries)	Nil

b. **What is the contribution of exports as a percentage of the total turnover of the entity?**
0.93%

c. **A brief on types of customers [10]**

RCF is engaged in manufacturing and trading on fertilizers which is supplied to Customers (Farmers) through Wholesale and Retail dealers and manufacturing of Industrial Chemicals which are sold for Industrial use.

IV) Employees

20. Details as at the end of Financial Year:

a. **Employees and workers (including differently abled): [11]**

S.no.	Particulars	Total (A)	Male		Female	
			No.(B)	%(B/A)	No. (C)	% (C/A)
EMPLOYEES*						
1.	Permanent (D)	1285	1155	89.88	130	10.12
2.	Other than Permanent (E)	-	-	-	-	-
3.	**Total employees (D + E)**	**1285**	**1155**	**89.88**	**130**	**10.12**
WORKERS						
4.	Permanent (F)	1335	1227	91.91	108	8.09
5.	Other than Permanent (G)	2670	2446	91.61	224	8.39
6.	**Total workers (F + G)**	**4005**	**3673**	**91.71**	**332**	**8.29**

*** Permanent employees reported exclude permanent workers**

b. **Differently abled Employees and workers: [12]**

Sr no.	Particulars	Total (A)	Male		Female	
			No.(B)	%(B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	20	19	95.00	1	5.00
2.	Other than Permanent (E)	-	-	-	-	-
3.	**Total employees (D + E)**	**20**	**19**	**95.00**	**1**	**5.00**
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	21	18	85.71	3	14.29
5.	Other than Permanent (G)	-	-	-	-	-
6.	**Total workers (F + G)**	**21**	**18**	**85.71**	**3**	**14.29**

[8] GRI 2-6, [9] GRI 2-6, [10] GRI 2-6, [11] GRI 2-7 ; GRI 2-8, [12] GRI 405-1

21. Participation/Inclusion/Representation of women [13]

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors*	6	4	66.67
Key Management Personnel**	1	-	-

* 4 whole time directors (Including CMD), 2 government nominee director
** Company Secretary

22. Turnover rate for permanent employees and workers [14]

	FY 2024-25 (Turnover rate in current FY) (In %)			FY 2023-24 (Turnover rate in previous FY) (In %)			FY 2022-23 (Turnover rate in the year prior to the previous FY) (In %)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	3.09	0.39	3.48	3.37	0.08	3.45	4.4	0.19	4.59
Permanent Workers	2.62	0.08	2.7	4.84	0.12	4.96	4.35	0.11	4.46

* The turnover rate includes regular retirement of employees & workers and accordingly numbers for FY23 and FY22 have been restated

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

23. (a) Names of holding / subsidiary / associate companies / joint ventures [15]

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	FACT_RCF Building Products Limited (FRBL)	Joint Venture	50.00	No
2	Urvarak Videsh Limited (UVL)	Joint Venture	33.33	No
3	Talcher Fertilizers Limited (TFL)	Joint Venture	33.33	No

VI) CSR Details

24. Whether CSR is applicable as per section 135 of Companies Act, 2013 [16] **: Yes**

I) **Turnover (in Rs. crores): 16,933.64**

II) **Net worth (in Rs. crores): 4,755.17**

VII) Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct: [17]

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	https://pgportal.gov.in/	25	-	-	15	-	-

[13] *GRI 405-1,* [14] *GRI 401-1,* [15] *GRI 2-2,* [16] *GRI 201-1* [17] *GRI 2-25*

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Investors (other than shareholders)	-	-	-	-	-	-	-
Shareholders	Yes, Shareholders can register their grievances on SCORES Portal at https://scores.sebi.gov.in/ and on ODR Portal at https://smartodr.in/	11	-	-	10	-	-
Employees and workers	Yes http://grievances.rcfltd.com/	1	-	-	4	-	-
Customers	Yes, https://mgms.rcfltd.com/	-	-	-	1*	-	-
Value Chain Partners	-	-	-	-	-	-	-

*Complaints received through Customer Care

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

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

The company has performed its First ESG Materiality Assessment and has identified 14 material topics which are important to the business and stakeholders. The topic has been identified by factoring in Global ESG Standard & Frameworks, peer benchmarking, domestic regulations, and frameworks adopted by ESG Rating Agencies. The highest material topics have been specified as risk or opportunity and RCF is taking actions to mitigate the risk and leverage on the opportunities identified 18. The ESG Materiality Matrix and the process of devising the same is enclosed in the **Annexure**.

S. No.	Material issue identified [19]	Indicate whether risk or opportunity (R/O) [20]	Rationale for identifying the risk / opportunity) [21]	In case of risk, approach to adapt or mitigate [22]	Financial implications of the risk or opportunity (Indicate positive or negative implications) [23]
1	R&D and Agricultural Innovation	Opportunity	Focus on development of innovative products which are sustainable, increases crop yields and ensure food security thus giving a competitive edge in the market.	NA	Positive

[18] GRI 3-1, [19] GRI 3-2, [20] GRI 3-3, [21] GRI 3-3, [22] GRI 3-3, [23] GRI 201-2

S. No.	Material issue identified [19]	Indicate whether risk or opportunity (R/O) [20]	Rationale for identifying the risk / opportunity) [21]	In case of risk, approach to adapt or mitigate [22]	Financial implications of the risk or opportunity (Indicate positive or negative implications) [23]
2	Health, Safety and Wellbeing	Risk	It is essential to provide safe and healthy work environment as it can impact human well-being, loss prevention and business reputation. Promoting a safe and healthy work environment also helps prevent workplace accidents and injuries.	Regular health inspections of our employees are carried out. RCF also has an in-house primary health centre. The company conducts regular plant audits to evaluate the processes in place from safety aspects and regularly try to enhance the safety at the workplace. RCF also has HSE Management Plan, Process Safety & Risk Management, Emergency Mitigation System.	Negative
3	GHG Emissions & Climate Change	Risk	Growing importance on climate change concerns by Regulators and Stakeholders requires integration of energy transition initiatives into business. Increasing regulatory requirements may lead to increase in operational costs and also has a potential to cause reputational damage.	Focus on Renewable source of energy, Energy efficient equipment, Carbon capture.	Negative
4	Product Safety and Quality	Opportunity	Creating an awareness among the consumers on safe usage of products enhance brand reputation, build customer trust, ensure regulatory compliance, increase efficiencies leading to lower consumption, with a potential to increase market share and long-term business success.	N.A.	Positive
5	Human Capital	Opportunity	Employees and Workers are valuable assets for achieving organizational goals, investing in employee skills and wellbeing will boosts productivity, fosters innovation, enhances company reputation, and drive long-term growth and offer competitive advantage.	N.A.	Positive
6	Governance, Ethics and Compliance	Risk	Non-compliance with regulations and unethical practices may lead to penalties, reputational damage, financial losses, and operational disruptions. This may impact the brand and trust of stakeholders	RCF's Code of Conduct and Monitoring Mechanism helps to ensure Ethical Conduct. Periodic review of regulatory changes and requirements can proactively address compliance.	Negative

[19] GRI 3-2, [20] GRI 3-3, [21] GRI 3-3, [22] GRI 3-3, [23] GRI 201-2

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/ No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available				www.rcfltd.com					
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	No	No	No	No	No	No	No	No	No
4. **Name of the national and international codes/ certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.**	ISO 9001 Quality Management System; ISO 14001 Environmental Management System; ISO 27001 Information Security Management; ISO 45001 Occupational Health and Safety; ISO 50001: 2011 Energy Management System;								
5. **Specific commitments, goals and targets set by the entity with defined timelines, if any.** [24]	RCF commits to conduct its business with highest ethical and governance standards. It has taken proactive quality improvement targets internally to ensure our customers are able to use best-in-class products. The business has also defined initiatives to enhance employee engagement and well-being. Our ESG Framework consists of three interlinked pillars, i.e., Protective Environment, Minimising Resource Use, and Inclusive Growth that reflect our commitment to minimizing the adverse impact of our operations on the planet and people. Each pillar encompasses specific themes and focus areas that guide our sustainability roadmap. The company is also in the process of setting ESG targets at organizational level within the defined boundaries. The Company is implementing energy schemes of Ammonia plant at Thal. The expected energy saving is 0.40 Gcal/MT of Ammonia at existing Ammonia production level and expected to be completed by July 2027. The Company is upgrading the existing Effluent Treatment Plant at Thal for treating 10,000 M3/day effluent to ensure the quality of treated effluent not only meeting the statutory norms but also suitable for recycling the treated effluent as raw water. Benefit of the project will be better environment management on sustained basis through recycling of treated effluent as a raw water. The project is executed in two phases.. The 1st phase has been partially commissioned on 19th January 2025 and treating 4000 M3 per day of effluent. In 2nd phase, balance effluent will be recycled, to achieve "Zero Effluent Discharge". Action for 2nd Phase has been initiated.								

[24] *GRI 3-3*

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	The Company is running Two Sewage Treatment Plants (STPs) at Trombay Unit with each plant having capacity to treat around 22.75 million Litres per Day (MLD) of sewage received from MCGM which otherwise would have been drained into the sea after preliminary treatment. The STP plants treat waste sewage generated in the city and convert it into treated water. Both plants together generate about 30 MLD of treated water which is being used in our plants as process water. Both STP plants of the Company are of great value to residents of Mumbai and Society at large besides improving reliability of operations of RCF Trombay Unit. During the year 2024-25, about 7983 Million litres of treated water was generated at both STP plants. The Company has signed MoU with M/s BPCL on 14th January 2025 for supply of additional 2 MLD of treated water from RCF STP to BPCL Mumbai Refinery. The Company has also signed MoU with M/s HPCL on 31st January 2025 for supply of 4 MLD treated water from RCF STP to HPCL Mumbai Refinery. The Company is setting up Briquette Fired Boiler at RCF Thal. The low-cost steam shall help in reducing the variable cost of chemicals. Briquette (Biomass) or 'White Coal' is made-up from agriculture and forest natural waste. It can be efficiently used to replace fossil fuel. Use of Briquettes for steam generation will reduce the Green House Gas (GHG) emissions. The project has been commissioned in May 2025. As part of achieving ecologically sustainable growth, Company has forayed into solar power generation. The Company has set up a 2 MWp ground mounted Photovoltaic Solar power plant in Trombay Unit. In addition to this, the Company has commissioned solar rooftop facilities at Thal and Trombay with an aggregate capacity of 2.25 MWp. The power generated is used for captive consumption, thereby reducing Company's power import to the equivalent extent. The green power generated by solar plants replaces the conventional power generated through burning of fossil fuels leading to reduction in overall Greenhouse gas emissions. During the year 2024-25, 4745 MWh of solar power was generated. During the year 2024-25, 2431 no. of Solar Renewable Energy Certificates (RECs) were generated.								
6. **Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not me** [25]	The organization has enforced governing policies enabling it to conduct its operations in compliance with the highest governance standards. RCF has been able to offer quality products and services. At the same time, improvement initiatives have also been taken up basis the customer feedback received. It adheres to the product stewardship principles by further improving environmental, health, and safety impacts of products and services.								
Governance, leadership, and oversight									
7. **Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)** [26] The Company is committed to integrating Environmental, Social and Governance ('ESG') principles into its businesses which is central to improving the overall environment and quality of life of the communities it serves. It adheres to the principles of product stewardship by enhancing health, safety and environmental impacts of products and services across their lifecycle. RCF has established policies for Safety, Health & Environment ('SHE').									

[25] *GRI 3-3,* [26] *GRI 2-22*

	The company has performed its First ESG Materiality Assessment in FY23-24 and identified 14 material topics which are important to the business and stakeholders. The topic have been identified by factoring in Global ESG Standard & Frameworks, peer benchmarking, domestic regulations, and frameworks adopted by ESG Rating Agencies. The highest material topics have been specified as risk or opportunity and RCF is taking actions to mitigate the risk and leverage on the opportunities identified. RCF has adopted ESG framework that is consistent with the Company's Vision, purpose, corporate principles and global ambition. Marking Sustainability as its priority, RCF takes care of the environment and society by strategizing each activity. The Company is committed to conducting beneficial and fair business practices to the labour, human capital and to the community. It provides employees and business associates with working conditions that are clean, safe, healthy and fair. It strives to be the neighbour of choice in the communities in which it operates and contributes to their equitable and inclusive development. The Company is firmly committed to pursuing ethical practices across its business segments. Our governance framework comprises of systems, policies, processes and practices that enable to build an environment of trust along with ethical practices. RCF's manufacturing units are accredited with ISO 9001 (Quality Management System), ISO 14001 (Environmental Management System), ISO 27001 (Information Security Management), ISO 45001 (Occupational Health and Safety), and ISO 50001: 2011 (Energy Management System). RCF has also adopted a comprehensive ESG policy which fortifies our commitment to sustainable chemical and fertilizer business while protecting the environment, enabling societal good, and adhering to good corporate governance standards. We shall ensure that our stakeholders are guided by an effective ESG framework across all business operations.
8.	**Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).** [27]	Corporate Social Responsibility & Sustainability Development Committee
9.	**Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details** [28]	Yes, The Company has a Board level Corporate Social Responsibility & Sustainability Development Committee. This Committee oversees the Company's strategy relating to Environment Social Governance (ESG) and sustainability matters. It will approve, allocate budget and monitor the sustainable development projects integrated into strategic plans of business units. It shall ensure ongoing environmental responsibility, review annually the Business Responsibility & Sustainability Report (BRSR) and Sustainable Development Report and provide inputs for the same. The committee is currently comprised of: 1) Prof. Anjula Murmu, Independent Director as Chairperson 2) Ms Nazhat J. Shaikh, Director (F) as Member, 3) Ms Ritu Goswami, Director (T) as Member and Ms Aneeta C. Meshram Govt. Nominee Director as Member

[27] *GRI 2-13,* [28] *GRI 2-9*

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes, as a practice, Business Responsibility policies of the Company are reviewed periodically or on a need basis by the Senior Leadership Team. During this assessment, the efficacy of the policies is reviewed and necessary changes to policies and procedures are implemented.									Need Basis								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company is in compliance with the existing regulations as applicable and a Statutory Compliance Certificate on applicable laws is provided by all the HODs to the Board of Directors.									Quarterly								

	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	The working of policies is not assessed/evaluated by external agency. However, the Company conducts review of the charters, policies internally by the Senior Management and Board Committees as and when required, which then drives the policies, projects and performance of the aspects of business responsibility and sustainability.								

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

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	All Principles are covered by policies. Hence not applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No))									
Any other reason (please specify									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

Essential Indicators

1. **Percentage coverage by training and awareness programmes on any of the principles during the financial year:**[29]

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	4	Directors' Certification Master Class conducted by Indian Institute of Corporate Affairs (IICA), FAI Annual Seminar, IFA Annual Conference and Orientation Programme for Functional Directors	100
Key Managerial Personnel*	8	Indian Institute of Corporate Affairs (IICA), FAI Annual Seminar, IFA Annual Conference and Orientation program for functional directors	100
Employees other than BoD and KMPs	195	Updates specific to the Company, regulations including environment, social and governance aspects.	50
Workers	102	Technical, business, functional, leadership, on boarding, safety, wellbeing aspect, Preventive vigilance, Tendering and procurement guidelines, improving professional & personal effect, compliance management, human rights & ethical value, Anti Bribery management System & Contract labour compliance, QC Tools & Techniques, First Aid & CPR Basics -1, World Environment Day 2025, Modular Safety Training, Workshop On Woman Safety, Basic Module & Safety (HWP),Awareness on POSH, Awareness Session On Woman Safety & Cybercrime.	50
		QC Tools & Techniques, First Aid & CPR Basics -1, World Environment Day 2025, Modular Safety Training, Workshop On Woman Safety, Basic Module & Safety (HWP),Awareness on POSH, Awareness Session On Woman Safety & Cybercrime	

*KMP includes Company Secretary

[29] *GRI 2-17*

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):** [30]

Monetary					
	NGRBC Principle	Name of the regulatory/enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	P1	National Stock Exchange of India Limited and BSE Limited	₹ 92,01,640	The Stock Exchanges have imposed fines on the Company for non-compliance of Regulation 17 (i.e., non-appointment of requisite number of Independent Directors including woman independent director), Regulation 18 (i.e., Non-compliance with the constitution of audit committee) Regulation 19 (Non-compliance with the constitution of nomination and remuneration committee), Regulation 20 (Non Compliance with the constitution of Stakeholders Relationship Committee) and Regulation 21 (Non compliance with the constitution of Risk Management Committee) of the Listing (Obligations and Disclosure Requirements) Regulations, 2015 during FY 2024-25	Yes, The Company is a Central Public Sector Undertaking under the Administrative control of the Ministry of Chemicals and Fertilizers, Department of Fertilizer, Government of India and its Directors on the Board are nominated / appointed by the President of India. The Company is continuously pursuing with the Government of India for the appointment of requisite number Independent Directors including woman independent director on the Board in order to comply with the provisions of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Considering the above, the Company has made applications to Stock exchanges for waiver of fines.
Settlement	-	-	-	-	-
Compounding fee	**P2**	Senior Inspector, Legal Metrology, Mainpuri, Uttar Pradesh	₹ 50,000	Contravention of section 18 and consequential penal provisions under 36(1) of the Legal Metrology Act,2009 read with Legal Metrology (Packed Commodities) Rules,2011.	No

[30] *GRI 2-27*

Monetary					
	NGRBC Principle	Name of the regulatory/enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions		Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	-		-	-
Punishment	-	-		-	-

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**[31]

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
The Company is a Central Public Sector Undertaking under the Administrative control of the Ministry of Chemicals and Fertilizers, Department of Fertilizer, Government of India and its Directors on the Board are nominated / appointed by the President of India. The Company is continuously pursuing with the Government of India for the appointment of requisite number Independent Directors including woman independent director on the Board in order to comply with the provisions of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Considering the above, the Company has made applications to Stock exchanges for waiver of fines.	

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**[32]

Yes

The Company has formulated Whistle Blower Policy to enable stakeholders including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices. RCF has provided ample opportunities to encourage Directors and employees to become whistle blowers (Directors and employees who voluntarily and confidentially want to bring the unethical practices, actual or suspected fraudulent transactions in the organization to the notice of competent authority for the greater interest of the organization and the nation). It has also ensured a very robust mechanism within the same framework to protect them (whistle blowers) from any kind of harm.

It is hereby affirmed that no personnel have been denied access to the Audit committee.

The Company has put in place a fraud prevention policy. As a part of compliance with the policy, Company has appointed nodal officers for Trombay, Thal, Marketing and Corporate Office. The fraud prevention policy has been framed to provide a system for detection and prevention of fraud, reporting of any fraud that is detected or suspected and for dealing in matters pertaining to fraud. During the year under review, no such cases were reported. In addition, your Company has Vigilance Department to bring greater transparency, integrity and efficiency. The focus of Vigilance department is on Preventive and Participative Vigilance.

Web link of Whistle Blower Policy is available on RCF's website:

https://www.rcfltd.com/public/storage/cmspages/cmspdfFile/F1565000758-whistle_blower_policy.pdf

Web link of Fraud Prevention Policy is available on RCF's website:

https://www.rcfltd.com/public/storage/cmspages/cmspdfFile/F1565000937-Fraud_prevention_policy.pdf

[31] *GRI 2-27,* [32] *GRI 2-23; GRI 3-3*

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**[33]

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. **Details of complaints with regard to conflict of interest**[34]

	FY 2024-25 (Current Financial Year)		FY 2023-24 (Previous Financial Year)	
	Number	Remark	Number	Remark
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**[35]

Not Applicable

8. **Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:**

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Number of days of accounts payable	48.99 days	42.67 days

9. **Open-ness of business**

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics		FY 2024-25 (Current Financial Year)	*FY 2023-24 (Previous Financial Year)
Concentration of Purchases	a)	Purchases from trading houses as % of total purchases	37.24%	38.06%
	b)	Number of trading houses where purchases are made from	981	1345
	c)	Purchases from top 10 trading houses as % of total purchases from trading houses	86.10%	79.77%
Concentration of Sales	a)	Sales to dealers / distributors as % of total sales	100.00%	100.00%
	b)	Number of dealers / distributors to whom sales are made	3627	3663
	c)	Sales to top 10 dealers/ distributors as % of total sales to dealers /distributors	18.85%	17.25%

[33] *GRI 205-3,* [34] *GRI 2-25,* [35] *GRI 205-3*

Parameter	Metrics		FY 2024-25 (Current Financial Year)	*FY 2023-24 (Previous Financial Year)
Share of RPTs in	a)	Purchases (Purchases with related parties /Total Purchases)	Nil	Nil
	b)	Sales (Sales to related parties / Total Sales)	Nil	Nil
	c)	Loans & advances (Loans & advances given to related parties / Total loans & advances) (in ₹)	Nil	Nil
	d)	Investments (Investments in related parties / Total Investments made)	100%	Nil

*Numbers have been restated

Leadership Indicators

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

Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
	Nil	

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No). If yes, provide details of the same.**[36]

   Yes

   RCF's Code of Conduct requires executives in senior management of the Company to dedicate their best efforts to advancing the Company's interests and to make decisions that affect the Company based on the Company's best interests and independent of outside influences. Executives in senior management of the Company are required to ensure that any 'conflicts of interest' with the Company should be avoided. The Company obtains declaration from all BoDs, KMPs and Senior Management under Regulation 26 (5) of SEBI (Listing Obligation and Disclosure Regulations), 2015 regarding any conflict of interest. As per the declaration received, none of the Directors, KMPs and members of Senior Management had any conflict of interest for the period under review. In case there is likely to be a conflict of interest, he/she is required to make full disclosure of all facts and circumstances thereof to the Managing director or any committee / officer nominated for this purpose by the Board and a prior written approval is to be obtained.

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

Essential Indicators

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

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	100%	100%	All R & D investments and efforts are aimed towards sustainability. Research efforts are put in the direction of development of organic fertilizers, and effective waste management for better sustainability
Capex	57.86%	55.56%	RCF's Capex schemes are primarily aimed towards energy saving and/or adoption of newer efficient technologies.

[36] *GRI 2-15*

2. **a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)** [37]

   Yes,

   The Company has a well-established vendor selection process that addresses social, ethical, and environmental considerations as mandated by law. The Company employs a transparent tendering process for vendor selection. All tender invitations of the Company include General Conditions of Contract covering aspects regarding prohibition of child labour and welfare of contractual labour. Environmental screening parameters such as adherence to IS/BIS/OSHAS standards or performance criteria, are specified on tender-to-tender basis. Additionally, the Company has implemented purchase preference conditions to engage vendors from categories such as local suppliers, MSE vendors, startups, and women entrepreneurs.

   b. If yes, what percentage of inputs were sourced sustainably? [38]

   55.03 % of the Company's inputs were sourced from MSE vendors.

   With the efforts taken by the company, procurement from MSEs i.e., cost of items procured is ₹ 854.24 Crore out of the total procurement cost of ₹ 1552.3 Crore which works out to be 53.03 %. The procurement from MSEs owned by SC/ST Entrepreneurs is ₹ 5.56 Crore which is 0.36 % and procurement from women owned MSEs is ₹ 8.79 Crore which is 0.57 % of the total procurement of the year 2024-25. The percentage procurement is calculated excluding Raw materials, gas, water, electricity, catalyst and proprietary items which cannot be procured from MSEs.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.** [39]

   RCF manufactures Neem coated urea, Ammonia, Methyl amines, Di methyl formamide, Di methyl acetamide, Heavy water, Liquid argon, Liquid nitrogen, Complex fertiliser Suphala, Nitric Acid etc., which are consumable and cannot be reclaimed. However, Company uses plastics for packaging and e-wastes are generated due to use of various computers, controllers, air conditioners, and instrumentation. Hazardous wastes are generated in the form of spent resin, used catalysts, spent oil after use of it in the plants, sulphur sludge and ETP sludge.

   There is well defined procedure in the Company for reusing, recycling and disposing at the end of life for these wastes in line with CPCB/SPCB guidelines.

   Category wise details are as below:

   a) Plastics (including packaging): RCF uses plastic as a packaging material for its products like Neem coated Urea, Di methyl acetamide drums (200 Litres), Di methyl Formamide Drums (200 Litres), Urea, Suphala, DAP, SSP etc. RCF has a registration number as a Brand Owner under Plastic Waste Management Rules 2022. RCF has disposed 13291.02 MT plastic waste for the financial year 2024-25. To fulfil its obligation, RCF has engaged agencies to fulfil its EPR obligation by recycling / disposing off the plastic waste on behalf of RCF.

   b) E-waste: Specified procedures are in place for disposal of e-waste. Total 30.69 MT e- waste has been disposed of through authorized recyclers for the financial year 2024-25.

   c) Hazardous waste: RCF has majorly four main hazardous wastes i.e. Spent Catalyst, Spent Oil, ETP Sludge and Sulphur Sludge. Spent Catalyst and Spent Oil are disposed of at designated places in a specified manner through CPCB/SPCB approved parties as and when required. Total of 77.07MT and 95.06 MT of Spent catalyst and spent oil respectively were disposed of for the year 2024-25. Sulphur Sludge and ETP Sludge, 12.037 MT and 1284.89 MT respectively recycled in 2024-25.

   d) Other waste: During the year 2024-25, the following other waste were disposed off:

      i) Bio-medical waste: 0.84 MT

      ii) Construction and demolition waste: 17 MT

      iii) Battery waste: 17.65 MT

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

   Yes

   RCF has a registration number as a Brand Owner under Plastic Waste Management Rules 2022. RCF is committed to complying the requirements of Extended Producer Responsibility (EPR) as mandated by Central Pollution Control Board (CPCB). To fulfil its obligation, RCF has engaged agencies to fulfil its EPR obligation by recycling/ disposing off the plastic waste on behalf of RCF. For this reporting period, RCF has fulfilled EPR target of 100% for the year 2024-25.

[37] *GRI 414-1,* [38] *GRI 414-1,* [39] *GRI 3-3; GRI 306-2*

Leadership Indicators

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

Indicate input material	Recycled or re-used input material to total material	
	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Not Applicable	Not Applicable	Not Applicable

2. Of the products and packaging reclaimed at end of life of products, amount (**in metric tonnes**) reused, recycled, and safely disposed, as per the following format: [40]

	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Nil	Nil	13291	Nil	Nil	9227
E-waste	Nil	Nil	30.69	Nil	Nil	19.19
Hazardous waste	Nil	1296.93	172.13	Nil	3679.18	720.07
Other waste	Nil	Nil	35.49	Nil	Nil	16.47

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

Essential Indicators

1. a. **Details of measures for the well-being of employees:**[41]

Category	% of employees covered by										
	Total (A)	Health insurance*		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees**											
Male	1155	1155	100	1155	100	NA	NA	50	4.33	3	0.26
Female	130	130	100	130	100	2	1.54	NA	NA	2	1.54
Total	**1285**	**1285**	**100**	**1285**	**100**	**2**	**0.16**	**50**	**3.89**	**5**	**0.39**
Other than Permanent employees											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

*Company has employee health programme which is managed through its own hospital located at Trombay and Thal Unit.

**Permanent employees reported exclude permanent workers.

[40] *GRI 301-2,* [41] *GRI 401-2*

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

Category	% of workers covered by										
	Total (A)	Health insurance*		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent Workers											
Male	1227	1227	100	1227	100	NA	NA	43	3.50%	0	0
Female	108	108	100	108	100	10	9.26%	NA	NA	7	6.48%
Total	1335	1335	100	1335	100	10	0.75%	43	3.22%	7	0.52%
Other than Permanent Workers											
Male	2446	NA	NA	2446	100	NA	NA	NA	NA	NA	NA
Female	224	NA	NA	224	100	NA	NA	NA	NA	NA	NA
Total	2670	NA	NA	2670	100	NA	NA	NA	NA	NA	NA

*Company has employee health programme which is managed through its own hospital located at Trombay and Thal Unit.

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the company	0.56	0.52

2. **Details of retirement benefits, for Current FY and Previous Financial Year.**[42]

Benefits	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI	NA	NA	NA	NA	NA	NA
Others – please specify	NA	NA	NA	NA	NA	NA

3. **Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard [43]

Yes, all the RCF's premises/offices are accessible to differently abled employees, as per requirements of the Rights of Persons with Disabilities Act, 2016.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.** [44]

Yes, RCF is committed to provide equal opportunity for all the employees as per the Rights of Persons with Disabilities Act, 2016. Weblink for the policy is as follows: https://www.rcfltd.com/public/storage/cmspages/cmspdfFile/F1727698028-equal%20PWBD%20policy%202018.pdf

[42] *GRI 201-3,* [43] *GRI 3-3,* [44] *GRI 3-3*

Weblink for Environment Social Governance (ESG) Policy is as follows: https://www.rcfltd.com/public/storage/cmspages/cmspdfFile/F1753952716-RCF%20Environment%20Social%20%20Governance%20%28ESG%29%20Policy.pdf

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**[45]

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100	100	100	100
Female	100	100	100	100
Total	100	100	100	100

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**[46]

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	Yes, Grievance portal
Other than Permanent Workers	Yes, Public Grievance Process & regular interactions
Permanent Employees	Yes, Grievance portal
Other than Permanent Employees	Yes, Public Grievance Process, email & regular interactions

A Statutory Grievance Redressal committee for grievance redressal including Management and Union Representatives is set up. The employees can submit their grievances to the grievance committee. The committee studies the grievances and gives suitable reply to the employees.

7. **Membership of employees and worker in association(s) or Unions recognised by the listed entity:**[47]

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)*		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees**	**1285**	**1037**	**80.70**	**1313**	**1116**	**85.00**
-Males	1155	955	82.68	1187	1016	85.59
-Females	130	82	63.08	126	100	79.37
Total Permanent Workers	**1335**	**1116**	**83.60**	**1213**	**1213**	**100**
-Males	1227	1016	82.80	1123	1123	100
-Females	108	100	92.59	90	90	100

*Numbers have been restated

** Permanent employees reported exclude permanent workers

8. **Details of training given to employees and workers:**[48]

Category	FY 2024-25 (Current Financial Year)					FY 2023-24 (Previous Financial Year)				
	Total (A)	On Health and Safety Measures		On skills upgradation		Total (D)	On Health and Safety Measures		On skills upgradation	
		Number (B)	% (B / A)	Number (C)	% (C / A)		Number (E)	% (E / A)	Number (F)	% (F / A)
Employees*										
Male	1155	675	58.44	1016	87.97	1187	619	52.15	1885	158.80
Female	130	66	50.77	115	88.46	126	75	59.52	118	93.65
Total	**1285**	**741**	**57.67**	**1131**	**88.02**	**1313**	**694**	**52.86**	**2003**	**152.55**

[45] *GRI 401-3,* [46] *GRI 2-25,* [47] *GRI 2-30,* [48] *GRI 403-5; GRI 404-2*

Category	FY 2024-25 (Current Financial Year)					FY 2023-24 (Previous Financial Year)				
	Total (A)	On Health and Safety Measures		On skills upgradation		Total (D)	On Health and Safety Measures		On skills upgradation	
		Number (B)	% (B / A)	Number (C)	% (C / A)		Number (E)	% (E / A)	Number (F)	% (F / A)
Workers										
Male	1227	389	31.70	508	41.40	1123	334.00	29.74	648	57.70
Female	108	28	25.93	47	43.52	90	40	44.44	100	111.11
Total	**1335**	**417**	**31.24**	**555**	**41.57**	**1213**	**374**	**30.83**	**748**	**61.67**

*Permanent employees reported exclude permanent workers

9. **Details of performance and career development reviews of employees and worker:** [49]

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total (A)	Number (B)	% (B/A)	Total (C)	Number (D)	% (D/A)
Employees*						
Male	1155	1155	100	1187	1187	100
Female	130	130	100	126	126	100
Total	**1285**	**1285**	**100**	**1313**	**1313**	**100**
Workers						
Male	1227	1227	100	1123	1123	100
Female	108	108	100	90	90	100
Total	**1335**	**1335**	**100**	**1213**	**1213**	**100**

*Permanent employees reported exclude permanent workers

10. **Health and safety management system:** [50]

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

Yes

RCF has implemented an Occupational Health and Safety Management System (OHSMS) – ISO-45001:2018, an internationally recognized framework for managing occupational health and safety to ensure the safety and wellbeing of all the employees and contractor workers.

b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?** [51]

RCF has implemented a comprehensive Occupational Health and Safety Management System (OHSMS) to identify work-related hazards and assess risks on a routine and non-routine basis. All Plants / Departments have revised the 'Hazard Identification & Risk Assessment Document' (HIRA) to be in line with ISO 45001:2018 Standard.

HIRA lists out all occupational hazards & risk arising out of our activities both routine and non-routine during manufacturing/ handling of products. All the HIRAs are reviewed during the IMS (Integrated Management System-ISO-9001, ISO-14001, ISO-45001) Audits carried out internally after every six months and externally every year.

The recommendations/ observations made during the Audit related to risk levels are to be complied within a month. The status of compliance is reviewed by top management during the Management Review Meeting (MRM) which is carried out after one month of each audit.

Apart from this, safety audits of both units of RCF are conducted by External Safety Auditor annually and their recommendations implemented in the plant.

Yes, in case of any incident workers can directly report it to site safety team. Alternatively, it is identified in routine site safety inspections. Also, site Occupational Health & Safety team reports all first aid / medical treatment cases to safety team for their recording.

[49] *GRI 404-3,* [50] *GRI 403-1,* [51] *GRI 403-2*

c. **Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)** [52]

Yes, in case of any incident workers can directly report it to site safety team alternatively it is identified in routine site safety inspections. Also, site Occupational Health & Safety team reports all first aid / medical treatment cases to safety team for their recording.

d. **Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)** [53]

Yes, employees have 24x7 access to Township Medical centre where Non-Occupational Medical Healthcare Services are provided.

11. **Details of safety related incidents[54], in the following format:**

Safety Incident/Number	Category	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.91	0.22
	Workers	0.28	0.34
Total recordable work-related injuries	Employees	8	6
	Workers	1	4
No. of fatalities	Employees	0	0
	Workers	1	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	2	1
	Workers	0	2

12. **Describe the measures taken by the entity to ensure a safe and healthy workplace.**[55]

RCF has implemented various measures to ensure a safe and healthy workplace for its employees and contract workers. Some of these measures include:

1. RCF conducts regular safety inspections of its facilities to identify potential hazards and take appropriate measures to mitigate them. JSA (Job Safety Analysis) of critical jobs is carried out to ensure that the risk of each step of a task is reduced to ALARP (As Low as Reasonably Practicable).
2. RCF conducts regular risk assessments to identify potential hazards and risks associated with its operations. Various specialized safety studies are conducted such as EIA, RA, HAZOP, QRA, HIRA, LOPA, MCLS and Dispersion modelling etc. for its projects, revamp, any modification in process, new equipment installation etc. This helps RCF to take preventive measures to avoid untoward incidents.
3. RCF conducts regular safety audits to identify and rectify any safety-related issues. This helps RCF to maintain a safe working environment for its employees and prevent untoward incidents.
4. RCF provides regular safety training to its employees' / contract workers to educate them on the safe handling of chemicals, equipment, and machinery. The training covers topics such as hazard identification, risk management, emergency response, and use of personal protective equipment (PPE). Thus, it is ensured that every individual is aware of the potential hazards associated with their work Sand how to mitigate them.
5. Improvement in Safety & environmental awareness amongst Employees, Contractors, Customers, Suppliers, Hazardous chemical transporting staff and neighbouring community by promoting learning through proactive communication, training, sharing of experience & best practices of HSE.
6. RCF has developed an "Emergency Response Plan" to deal with any untoward incidents. The plan includes procedures for evacuation, first aid, firefighting, and communication. RCF conducts regular drills to ensure emergency preparedness involving employees, CISF, MARG (Mutual Aid Response Group: Chembur-Trombay), Mumbai Police and NDRF.
7. Process Safety Mock drills are carried out in Process Plants at regular intervals to analyse the integrity of operating systems and processes handling hazardous substances so as to review the emergency preparedness plan of the organization and evaluate standard operating procedure.

[52] GRI 403-2, [53] GRI 403-6, [54] GRI 403-9; GRI 403-10, [55] GRI 3-3; GRI 403-9; GRI 403-10

8. Identification of Near miss incident & process near miss incidents reporting, prompt action to address all reported near miss incidents including root cause analysis done. The system also includes Weekly review of near miss incidents with senior officials.
9. Quarterly HSE Index audit is conducted for evaluating HSE system on the basis of well-defined checklist. Marks are allotted for positive/ constructive approach toward safety.
10. RCF provides its employees with appropriate Stat-of-art safety gadgets and PPEs. Regular training sessions and demonstrations are also conducted.
11. RCF has implemented Process Safety Management (PSM) systems based on 29CFR1910.119 as developed by Occupational Safety and Health Administration (OSHA) to identify, evaluate, and control process hazards. This helps to prevent accidents and ensure the safe operation of the plant.
12. Compliance in accordance with the standards ISO 9001-2015, ISO 14001-2015 and ISO 45001-2018. (through Training, Documentation, Audits, Management Review and Annual Audits).
13. Time to time Revision of IMS Manual, Safety Manual, Fire Manual, Process Safety Plant Manuals, and Emergency Control Plan (ECP) for continual improvement, through procedures and Management Plan.
14. RCF has implemented Protect and Sustain Protocol under Product Stewardship imitative of International Fertilizer Association (IFA). Protect and Sustain protocol documentation is prepared, audited, surveillance audit and certification audit is done for Trombay Unit, Thal Unit, Marketing offices, Administrative offices and Security System. This is in line with our endeavour to encourage compliance to international norms pertaining to Health, Safety, Environment and Security of our business activities from source to end user.
15. RCF provides its employees with various health and wellness programs to promote physical and mental wellbeing.
16. RCF is committed to protecting the environment and has implemented various measures in line with MPCB/ CPCB guidelines and statutes to minimize its impact on the environment.
17. RCF complies with all relevant safety and environmental regulations to ensure a safe and healthy workplace..

Overall, RCF is committed to providing a safe and healthy workplace for its employees and takes all necessary measures to achieve this goal.

13. **Number of Complaints on the following made by employees and workers:**[56]

	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	1696	309	All the short comings in working conditions are daily discussed during morning meeting chaired by Unit Head - Occupier and immediate corrective actions are taken which are reviewed regularly.	2608	313	-
Health & Safety	1219	126	All the cases under Health & Safety heading are reviewed on Weekly basis in Morning meeting chaired by ED(Tr)-Occupier and corrected immediately.	1145	37	-

14. **Assessments for the year:**[57]

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100 % (All the Plants, Workshops and stores were audited through External Safety Audits conducted by DISH certified external agency as well as Internal Safety Audits conducted by committee comprising concerned Plant/ Department head, all sectional heads, Civil department representative and Safety Department representative nominated by Senior Management.
Working Conditions	

[56] *GRI 2-25,* [57] *GRI 3-3*

15. **Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**[58]

In the event of a significant incident, RCF has a compensation and redressal policy in place to address the needs of affected individuals and prevent recurrence. The policy ensures that RCF takes responsibility for incidents and provides support to affected individuals while taking corrective action to prevent future incidents. RCF takes health and safety very seriously and is committed to providing a safe working environment for its employees. The Company regularly reviews its health and safety practices and working conditions to identify areas for improvement and take corrective action as necessary.

In case of any incident, RCF conducts a thorough investigation of the incident by formation of a technical committee to identify the root cause. The recommendations as suggested by the committee are implemented to prevent future recurrences.

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

   a) Employees: Yes

   b) Workers: Yes

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

   All of the value chain partners of the Company are covered under the PF and ESI Act. As per contractual agreements, vendors must submit a copy of their wage register and PF/ ESI Act challans to process monthly invoices. This serves as proof of payment to contract workers. Furthermore, the Company's General Conditions of Contract (GCC) include clauses to ensure that all statutory dues and fines are collected as applicable. Additionally, the company collects TDS from all its vendors to ensure the submission of applicable taxes. RCF does monthly reconciliation of recording of GST charged by the supplier and availing of input tax credit in its books with the data populated from the supplier in the GST portal on filing of return. Through this mode, it is possible to identify the GST defaulters and accordingly alert the concerned stakeholders as well as user to block such GST defaulter's payment. Currently, the business is in the process of automating this process.

3. **Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:** [59]

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**[60]

Yes, the Company provides Functional Training Program, Skill Development Program, Modular Training, Management Development Program, Leadership Development Program, Personal Effectiveness and Productivity for the Medical Team, Personal Effectiveness for various level of officers, Mentor Mentee Programmes, Retirement Planning Training, Orientation program for Retiring Employees by ASP (Annuity Service Provider), programme on Tax Saving Scheme Under Income Tax Act, to its employees.

[58] *GRI 3-3 GRI 403-9, GRI 403-10,* [59] *GRI 3-3,* [60] *GRI 404-2*

The Company also provides various facilities for employees upon retirement, including a defined contribution plan/pension scheme, provident fund, gratuity, and post-retirement medical benefit facility (PRMBF). Further, resettlement benefits are also offered to help employees settle down after retirement. Furthermore, the Company has developed 'Employee One' app to assist its employees in availing entitled facilities post-retirement.

Financial Planning for superannuating employees provides them direction to invest in proper manner along with interaction with various Annuity Service Providers for best investments, NPS Awareness and Help Desk, and Superannuation (Pension) Scheme Awareness.

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

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**[61]

   RCF has established a robust process for identifying stakeholders both internal as well as external. Accordingly, it has identified various internal stakeholders like employees and external stakeholders such as farmers, shareholders, debenture holder, suppliers/partners, communities, government & regulatory authorities.

   RCF has instituted a governance structure to focus on embedding the ESG aspects within its strategy, organisational culture and business verticals. RCF identifies stakeholders key to our business through their impact on the organisation and the value we create for them in return. RCF have identified distinct stakeholders categories for its business.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**[62]

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholder	No	Email, Public Notification, Advertisement in newspapers & website etc.	Statutory and event based	Quarterly financial results, dividend, credit rating and new projects.
Debenture holder	No	Email, Public Notification & website etc.	Statutory and event based	Quarterly financial results, interest
Farmers	No	Framers meet	Periodically	payment, credit rating and new projects.
Suppliers/Partners	No	Email, SMS, Vendor meeting	Ongoing	Procuring feedback from the customers and areas of improvement Quality & reliability of the products.
Government & regulatory authorities	No	Compliance meetings, inspections, compliance reports, media releases	Ongoing	Regulatory requirements, compliance with national and local regulations, policy advocacy, changes in regulatory framework.

[61] *GRI 2-29,* [62] *GRI 2-29; GRI 3-1*

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Communities	No	CSR meet Stakeholder meet	Periodically	Understanding the expectations of communities with respect to CSR initiatives.

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**[63]

   RCF's management regularly engages with its key stakeholders, including customers, investors, suppliers, employees, and communities. Additionally, the Company's CSR & Sustainability Development Committee, represented by members of Board of Directors are updated on the progress of various initiatives.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**[64]

   RCF adopts a comprehensive and participatory approach to community development, emphasizing stakeholder engagement through materiality assessments to identify and prioritize economic, environmental, and social concerns. The Company recognizes the unique identities of communities and focuses on leveraging their collective strengths to drive sustainable development.

Key aspects of RCF's community engagement include:

a. Participatory Development: Collaborating with communities to co-create solutions that address their specific needs and aspirations.

b. Impact Assessments: Regularly evaluating the outcomes of Corporate Social Responsibility (CSR) programs to ensure they deliver tangible benefits and contribute to long-term social progress.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**[65]

RCF is engaged in community engagement addressing the concerns of vulnerable/marginalized stakeholder groups. During the year, it extended support beneficiaries in the areas of education, health and community development.

- Supply of drinking water to the villages: Nearly 20,000 families continue to benefit from this long-standing initiative.
- Midday meal scheme to non-aided schools to cater to the nutritional need of the under-privileged school children.
- Mobile Medical Van at Thal & Trombay: free health checkup and distribution of free medicines to the patients in the vicinity of Chembur and Thal area.
- Scholarship to SC/ST students Thal villages: scholarships to students belonging to the Scheduled Castes (SC) and Scheduled Tribes (ST) in the villages surrounding its Thal unit.
- Supply of Saplings, seeds to farmers: supports sustainable agriculture by supplying saplings and seeds to farmers in nearby rural areas.

Further details are available in the Corporate Social Responsibility Section.

[63] *GRI 406-1,* [64] *GRI 2-25 ,* [65] *GRI 2-25*

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:** [66]

	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees*						
Permanent	1285	584	45.45	1313	611	46.53
Other than permanent	-	-	-	-	-	-
Total Employees	**1285**	**584**	**45.45**	**1313**	**611**	**46.53**
Workers						
Permanent	1335	244	18.28	1213	117	9.65
Other than permanent	2670	-	-	3576	-	-
Total Workers	**4005**	**244**	**18.28**	**4789**	**117**	**2.44**

*Permanent employees reported exclude permanent workers

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

Category	FY 2024-25 (Current Financial Year)					FY 2023-24 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		Number (B)	% (B / A)	Number (C)	% (C / A)		Number (E)	% (E /D)	Number (F)	% (F / D)
Employees*										
Permanent	**1285**	**0**	**0**	**1285**	**100**	**1313**	**0**	**0**	**1313**	**100**
Male	1155	0	0	1155	100	1187	0	0	1187	100
Female	130	0	0	130	100	126	0	0	126	100
Other than Permanent	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Workers										
Permanent	**1335**	**0**	**0**	**1335**	**100**	**1213**	**0**	**0**	**1213**	**100**
Male	1227	0	0	1227	100	1123	0	0	1123	100
Female	108	0	0	108	100	90	0	0	90	100
Other than Permanent	**2670**	**2195**	**82.21**	**475**	**17.79**	**3576**	**2234**	**62.47**	**1342**	**37.53**
Male	2446	2013	82.30	433	17.70	3381	2089	61.79	1292	38.21
Female	224	182	81.25	42	18.75	195	145	74.36	50	25.64

*Permanent employees reported exclude permanent workers

[66] *GRI 2-24; GRI 403-5*

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

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (Rs. Lakhs)	Number	Median remuneration/ salary/ wages of respective category (Rs. Lakhs)
Board of Directors (BoD)*	2	84.47	2	61.58
Key Managerial Personnel**	1	59.49	0	NA
Employees other than BoD and KMP Workers	1144	22.33	125	21.89
Workers	1227	12.99	107	10.06

Notes:

1) *Not employed throughout as BOD, so Only 1 BOD male employee was employed throughout the year and considered for calculating median.
2) **KMP means Company Secretary of the company
3) Remuneration of BOD & KMP includes Actuarial provision & Medical expenses incurred for the year.
4) PRP / Bonus included in the year of payment & shown as part of remuneration.
5) Employees Other than BOD & KMP are all Officers.

b. **Gross wages paid to females as % of total wages paid by the entity, in the following format:**

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Gross wages paid to females as % of total wages	8.00%	7.87%

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

Yes. RCF has an internal committee in place

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.** [67]

Yes, RCF has a structured Grievance Redressal policy to resolve the grievances of employees including grievances pertaining to human rights. The procedure starts with a complaint by the aggrieved employee in grievance monitoring system Portal. RCF also ensures compliance with various provisions under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. To inculcate appropriate workplace behaviour and promote gender sensitization, Corporation has mandated all its executive employees to undergo awareness sessions through online courses and workshops conducted on the subject. Internal Complaint Committees (ICC) of the Corporation have been reconstituted and detailed guidelines on procedures relating to the functioning of the ICC have been circulated.

6. **Number of Complaints on the following made by employees and workers:** [68]

	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	1	-	-	1	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-

[67] *GRI 2-25,* [68] *GRI 406-1; GRI 2-25*

	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Forced Labour/Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	**1**	1
Female employee /workers*	**238**	216
Complaints on POSH as a % of female employees / workers	**0.42**	0.46
Complaints on POSH upheld	**1**	1

* Female employees included both Permanent officers and workers

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.** [69]

RCF has a Whistle-Blower Policy wherein the permanent management and non-management employees can report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The objective of this policy is to build and strengthen a culture of transparency and trust in the organization and to provide employees –officers and workmen with a framework / procedure for responsible and secure reporting of improper activities (whistle blowing) and to protect employees wishing to raise a concern about improper activity / serious irregularities within the Company. The policy provides that the confidentiality of those reporting violations shall be maintained and they shall not be subjected to any discriminatory practice. The Whistle-Blower policy is hosted on the website of the Company. RCF also ensures compliance with various provisions under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. To inculcate appropriate workplace behaviour and promote gender sensitization, Corporation has mandated all its executive employees to undergo awareness sessions through online courses and workshops conducted on the subject. Internal Complaint Committees (ICC) of the Corporation have been reconstituted and detailed guidelines on procedures relating to the functioning of the ICC have been circulated.

9. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)** [70]

Yes, human rights requirements are included in business agreements and contracts. Service contracts contain clauses that address human rights requirements, such as the prohibition of child labour and the assurance of minimum wages.

10. **Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100
Forced/involuntary labour	100
Sexual harassment	100

[69] *GRI 2-25,* [70] *GRI 2-23*

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Discrimination at workplace	100
Wages	100
Others – please specify	-

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**[71]

The Company is committed towards ensuring compliance with all labour laws along with maintaining zero incidence of human rights violations. The Company has developed a well-defined Grievance Redressal Procedure for employees. Any employee can raise a grievance, which is then resolved within the prescribed timelines.

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.** [72]

The Grievance Redressal Committee is in place and guidelines are updated from time to time to address any uncovered aspect arising out of human rights grievances.

2. **Details of the scope and coverage of any Human rights due-diligence conducted.** [73]

All locations of the Company maintain 100% compliance with statutory provisions. Reporting of compliance is also done to the concerned government offices as per the statute, before the due date. Due diligence for this compliance is ensured through periodic internal inspections.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?** [74]

Yes

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

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**[75]

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A) (in Giga Joules)	56,820	53,148
Total fuel consumption (B) (in Giga Joules)	-	-
Energy consumption through other sources (C) (in Giga Joules)	-	-
Total energy consumption (A+B+C) (in Giga Joules)	**56,820**	**53,148**
From non-renewable sources		
Total electricity consumption (D)	44,23,935	49,28,990
Total fuel consumption (E)	2,90,55,493	2,99,16,127
Energy consumption through other sources (F)	-	-
Total energy consumption from non-renewable sources (D+E+F) (in Giga Joules)	**3,34,79,428**	**3,48,45,117**
Total energy consumed (A+B+C+D+E+F)	**3,35,36,248**	**3,48,98,265**
Energy intensity per rupee of turnover (Giga Joules/ INR)	0.000198045	0.00020551
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total energy consumed / Revenue from operations adjusted for PPP)	0.004091612	0.004706176
Energy intensity in terms of physical output (Energy Consumed / MT)	6.75771207	6.875414883

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

*While computation of PPP, conversion factor of 20.66 against USD has been considered based on IMF data for the year 2025.

[71] *GRI 3-3,* [72] *GRI 2- 25; GRI 3-3,* [73] *GRI 3-3,* [74] *GRI 405,* [75] *GRI 302-1; GRI 302-3*

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.** [76]

RCF continues to promote & prioritize effective energy utilisation and conservation. RCF's two fertilizer productions unit are identified as Designated Consumer (DC)s under PAT cycle. Under PAT cycle, RCF achieved the targets in two out of two fertilizer production unit and were issued energy certificates. During the year, RCF has implemented energy saving projects at a cost of ₹ 70.15 crore.

3. **Provide details of the following disclosures related to water** [77]**, in the following format:**

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water (BMC Water for Trombay Unit and water supplied by Maharashtra Industrial Development Corporation (MIDC) for Thal Unit)	1,50,75,495	1,62,42,500
(iv) Seawater / desalinated water	NA	NA
(v) Others -Water Produced in in-house two no. of Sewage Treatment Plants (STPs). Part of the Water generated in STPs is shared with M/s Bharat Petroleum Corporation Limited (BPCL)	79,82,599	81,52,815
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	2,30,58,094	2,43,95,315
Total volume of water consumption (In kilolitres)	**2,07,77,785**	**2,22,04,732**
Water intensity per rupee of turnover (Water consumed / turnover)	0.000123	0.000131
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total water consumption / Revenue from operations adjusted for PPP)	0.002535	0.002994
Water intensity in terms of physical output (Total Water Consumed / MT)	4.18682167	4.3746227

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

*While computation of PPP, conversion factor of 20.66 against USD has been considered based on IMF data for the year 2025.

4. **Provide the following details related to water discharged:**[78]

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water withdrawal by destination and level of treatment (in kilolitres)		
(i) To Surface water	NA	NA
- No treatment		
- With treatment – Primary/ Tertiary		
(ii) To Groundwater	NA	NA
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment – Primary Treatment*	36,05,264	36,22,004

[76] *GRI 3-3,* [77] *GRI 303-3; GRI 303-5,* [78] *GRI 303-4*

Parameter		FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
(iv)	Sent to third-parties	NA	NA
	- No treatment		
	- With treatment – please specify level of treatment		
(v)	Others	NA	NA
	No treatment		
	With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		**36,05,264**	**36,22,004**

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

*Effluent is treated in existing Effluent Treatment plant (ETP). ETP ensures that effluent discharged from the factory meets the statutory requirements laid down by the Pollution Control Board. Effluent Treatment plant consists of Physio-chemical Treatment, Nitrification and Denitrification treatment for removal of suspended particles, fluorides, ammonical nitrogen and nitrate nitrogen.

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.** [79]

RCF is upgrading the existing Effluent Treatment Plant at Thal for treating 10,000 M3/day effluent and recycling it as raw water. The project is executed in two phases. 1st phase has been partially commissioned on 19th January 2025 and treating 4000 M3 per day of effluent on regular basis. In 2nd phase, balance effluent will be recycled, to achieve "Zero Effluent Discharge" goal. Action for 2nd Phase has been initiated.

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

Parameter*	Please specify-unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
NOx	MT	98	87
SOx	MT	104	91
Total Particulate matter	MT	206	273
Persistent organic pollutants (POP)	N/A	NA	NA
Volatile organic compounds (VOC)	N/A	NA	NA
Hazardous air pollutants (HAP)	N/A	NA	NA
Others - Carbon monoxide (CO)	N/A	NA	NA

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

Yes. Name of the external agency: M/s. Skylab Analytical Laboratory

* Considering annual average of ambient air quality at Trombay and Thal Unit. Stack monitoring, Effluent monitoring, Ground Water monitoring, Soil & Sludge monitoring, Ambient Air monitoring and Noise monitoring done by third party agencies viz., M/s. Skylab Analytical Laboratory.

[79] *GRI 303-1*

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**[80]

Parameter	Please specify unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	37,54,391	37,03,604
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	73,592	1,20,029
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes per rupee	0.0000226058	0.0000225167
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		0.0004670357	0.0004651953
Total Scope 1 and Scope 2 emission intensity in terms of physical output		0.7713567	0.7533057

8. **Does the entity have any project related to reducing Green House Gas emission? If yes,then provide details.**[81]

   i) GTG-HSRG project at Trombay and Thal has been commissioned leading to reduction of CO2, emission by 28%. RCF has installed Gas Turbines Generators (GTG) with Heat Recovering Steam Generators each, at Trombay and Thal Unit. GTGs with co-generation of steam, have better efficiency compared to conventional turbo generator used for captive power generation and hence shall result in reduction in CO2 emission by around 28%.

   ii) Trombay Ammonia V Plant Revamp (KBR Scheme):

   Ammonia-V revamp project is being implemented as a part of energy improvement schemes. The scheme is envisaged to result in energy saving of 0.25 Gcal/MT of Ammonia and shall lead to lower emissions.

9. **Provide details related to waste management by the entity, in the following format:**[82]

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous FinancialYear)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	13291.02	9227.00
E-waste (B)	30.39	19.19
Bio-medical waste (C)	0.84	1.30
Construction and demolition waste (D)	17.00	-
Battery waste (E)	17.65	15.17
Radioactive waste (F)	-	-
Other Hazardous waste (G)	1469.057	4586.74
Other Non-hazardous waste generated (H). Please specify, if any.	-	-
Total (A + B + C + D + E + F + G + H)	14825.96	13849.40
Waste intensity per rupee of turnover (Total waste generated /Revenue from operations)	0.000000088	0.000000082

[80] *GRI 305-1; GRI 305-2; GRI 305-4* [81] *GRI 305-5,* [82] *GRI 306-3; GRI 306-5*

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total waste generated /Revenue from operations adjusted for PPP)	0.00000181	0.000001685
Waste intensity in terms of physical output (Total Waste / MT)	0.0029876	0.0027285
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	2750.62	27149.65
(ii) Re-used	75.25	-
(iii) Other recovery operations	77.07	19240.85
Total	**2902.94**	**46390.50**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	0.44
(ii) Landfilling	5	276.03
(iii) Other disposal operations	4117.22	720
Total	**4122.22**	**996.47**

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

*While computation of PPP, conversion factor of 20.66 against USD has been considered based on IMF data for the year 2025.

10. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**[83]

3R strategy (Reduce, Reuse and Recycle) is employed in the different processes for effective implementation of waste management system at RCF. In the course of Fertilizer and Chemical manufacturing, the wastes generated from process and from other activities are taken care with proper planning for storage, recycle and disposal.

Extensive work is being done in RCF for management of waste by R&D activities and through improvement plans for reduction in waste generation, selection of suitable raw material for minimizing waste, R&D on waste for recycling and its sale as a valuable product for the end users.

At Trombay unit, the sludge generated from ETP contains certain amount of phosphates. It is recycled for manufacture of complex fertilizer Suphala (NPK15:15:15) as a source of P2O5. Sulphur sludge is generated in Sulphuric Acid plant is recycled to complex fertilizer plant Suphala (15:15:15) as a source of "S" in the form of secondary nutrient. Also, recycling of off grade/spoiled Suphala from Silo and converting it into saleable product.

At both units of RCF, 100% of swept urea generated in Urea Bagging plants which are collected from floor & equipment cleaning is recycled back in Urea manufacturing.

Hazardous Wastes (HW) being generated in our industry are used catalyst, spent oil, and resin. As per HW rules, authorization has been taken for storage and disposal. Further HW storage has been clearly marked and all the storage of HW (till disposal) is done as per HW rules. Total monitoring of HW material is carried out and the same is disposed of as per timelines for disposal of such waste. Proper record is kept and same is shared with statutory authorities. Bio-medical waste and E-waste is disposed-off as per Bio-medical waste / e-waste management rules or through authorized external agencies.

[83] *GRI 306-2; GRI 3-3*

11. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:[84]**

Sr.no.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with?(Y/N) If no, the reasons thereof and corrective action taken, if any.
Nil			

12. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:[85]**

Name and brief details ofproject	EIA NotificationNo.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public Domain (Yes / No)	Relevant Web link
Setting-up a New 1200 MTPD (DAP BASIS) Complex Fertilizer Plant at existing RCF facility Thal, Maharashtra	EC23A1901MH5587954N dated 14.09.2006	02.01.2024	No	Yes	www.https://parivesh.nic.in/

13. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:[86]**

Sr. No.	Specify the law / regulation/guide-lines which was not complied with	Provide details of the non - compli-ance	Any fines /penalties / action taken by regula-tory agencies such as pollution control boards or by courts	Corrective action taken, if any
Yes, both units of RCF are compliant with the applicable law/regulations/guidelines.				

Leadership Indicators

1. **With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities. [87]**

   RCF does not have any of our plant in water stress areas.

2. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:[88]**

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-withsummary)	Outcome of initiative
1	**Solar Power Generation facilities**	As part of achieving ecologically sustainable growth, RCF has forayed into solar power generation. RCF has set up a 2 MWp ground mounted Photovoltaic Solar power plant in Trombay Unit in January 2016. In addition to this, RCF has commissioned solar rooftop facilities at Thal and Trombay with an aggregate capacity of 2.17 MWp.	Use of renewable energy leading to lower greenhouse gas emissions

[84] *GRI 304-1,* [85] *GRI 413-1,* [86] *GRI 2-27,* [87] *GRI 304-2,* [88] *GRI 3-3*

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-withsummary)	Outcome of initiative
2	**Sewage Treatment Plants (STPs)**	RCF is operating Two Sewage Treatment Plants (STPs) at Trombay Unit each plant having capacity to treat around 22.75 Million Litres per Day (MLD) of sewage received from Municipal Corporation of Greater Mumbai (MCGM) which otherwise would have been drained into the sea after preliminary treatment. The plant serves as a dual purpose, it not only solves the issue of treatment and disposal of sewage, but also relieves MCGM from the obligation of supply of 30 MLD of industrial water and making equivalent amount of water available for the local community.	Treating 45.5 MLD of sewage to generate 30 MLD treated water, helps in conserving important natural resource i.e. Water there by reducing waste water.
3	**Nano Urea Fertilizer Plant**	RCF has set up a new Nano Urea Fertilizer Plant of capacity of 75 KL per day i.e. 1.5 Lakh Bottles per day of 500 ml capacity at RCF Trombay Unit.	Resources utilisation for production of the conventional urea and Fuel requirement for transportation shall be reduced.

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

As per guidelines of Directorate of Industrial Safety and Health, RCF has established Disaster Management Plan for management of onsite and offsite hazards at both Units of RCF. RCF identifies and assesses potential environment risks in existing plants & upcoming projects by conducting PSM audit, ISO audit, HSE index audit.

Disaster Prevention Measures:

The following activities are carried out for disaster prevention:

- Periodical Safety Audit / OHSAS Audits.
- Performance and condition monitoring.
- Predictive and Preventive maintenance programs.
- We have carried out GAP analysis for the entire complex.
- Process Safety Management system is adopted to ensure safety.

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

Essential Indicators

1. **a. Number of affiliations with trade and industry chambers/ associations.**[89]

Five (5)

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to. [90]

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industrychambers/ associations (State/National)
1	The Fertilizers Association of India	National
2	Standard Conference of Public Enterprises	National
3	National Safety Council	National
4	Indian Chemical Council	National
5	International Fertilizer Association	International

[89] *GRI 2-28,* [90] *GRI 2-28*

2. **Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.** [91]

Name of authority	Brief of the case	Corrective action taken
No adverse orders have been passed by the regulatory authorities related to anti-competitive conduct.		

Leadership Indicators

1. **Details of public policy positions advocated by the entity:** [92]

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
1	Safe use of Fertilizers by Farmers	Through Industry bodies	No	As needed	-
2	Wastage Sewage Treatment	Through Industry bodies	No		-
3	Use of drone in agriculture	Through Industry bodies	No		-
4	Advocacy for reasonable statutory and regulatory enactments that affect the Company.	Usually through industry-related trade associations to which the Company belongs.	No		-

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development.

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.** [93]

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Nil					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:** [94]

S No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Nil						

3. **Describe the mechanisms to receive and redress grievances of the community.** [95]

The Company has an effective Grievance Redressal System. Any citizen having complaints in respect of the production or services rendered may directly approach the Company at convenient locations in the Area offices/ Administration buildings at Trombay and Thal. Citizens can record their grievances in respect of matter like failure of the quality, prices, conduct of its officers and employees. For the public grievances, the company has initiated "Online Grievance Registration system" on the company's Website.

Any aggrieved citizen can approach the Company and address his/her Grievances to the Nodal Officer of the Company, who acts as Coordinating Officer for Redressal of the grievances. The name and address of the Nodal Officer are provided on RCF Corporate Website.

[91] *GRI 3-3,* [92] *GRI 2-28; GRI 415,* [93] *GRI 413-1,* [94] *GRI 413-1; GRI 413-2,* [95] *GRI 2-25*

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:** [96]

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	55.03%	43.16%
Sourced directly from within the district and neighbouring districts	70.16%	71.37%

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Rural	34.89%	35.05%
Semi-Urban	0.19%	0.18%
Urban	2.04%	2.50%
Metropolitan	62.88%	62.27%

(Place categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Note:

1) Prepared as per place of posting of Manpower as on 31.03.2025.

2) Employees posted at Thal (District Alibag) has been shown as posted in Rural area as per census of Thal.

Leadership Indicators

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

Details of negative social impact identified	Corrective action taken
Not Applicable	

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

S. No.	State	Aspirational District	Amount spent (₹ in Lakh)
1	Maharashtra	Osmanabad	25

3. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)** [97]

- Yes, the Company has preferential procurement policy in line with the Government of India's guideline. Preference is given to local suppliers, Micro & Small Enterprises (MSEs), MSEs owned by SC/ST individuals and women, and startups in accordance with current government and company policies. Under the Public Procurement Policy 2012 (PPP-2012) and the Purchase Preference linked to Local Content policy (PP-LC 2020), MSEs and Class I Local Suppliers receive purchase preference. Certain items are exclusively reserved for procurement from MSE vendors. When sufficient local content and capacity exist in India, only Class I local suppliers are permitted to participate in the bidding process. For non-critical procurement, prequalification criteria are waived for startups and relaxed for Micro & Small Enterprises. In addition, relaxation of 50% in the performance bank guarantee (PBG) is provided to Women and Reserved categories (SC/ST) owned MSEs.

(b) From which marginalized /vulnerable groups do you procure? [98]

- Micro & Small Enterprises (MSE), and Startups lead by women SC/ST etc.

(c) What percentage of total procurement (by value) does it constitute?

- 55.03% of the total procurement was contributed by MSE group.

[96] *GRI 204-1,* [97] *GRI 204-1; GRI 3-3,* [98] *GRI 3-3*

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

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

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

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

6. **Details of beneficiaries of CSR Projects:** [99]

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Health and Sanitation	1,00,021	100%
2	Rural Development	5,200	
3	Education	6,257	
4	Women Empowerment	390	
5	Environment	6,020	
6	Livelihood and Skill Development	703	

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

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.** [100]

The Company has developed multiple mechanisms for customer's feedback, suggestions, or complaints about any product or services such as:

i. Online web-based marketing grievance monitoring system has been developed https://mgms.rcfltd.com/

ii. Toll free Call Centre number: RCF Kisan Care Toll Free service 1800-22-3044 was operated for imparting Agricultural information to the farming community.

iii. Social media: Information has been shared through social media (WhatsApp, Facebook, Twitter, Instagram and You Tube) with handle @rcfkisanmanch.

iv. RCF has established 620 Pradhan Mantri Kisan Samrudhi Kendra (PMKSK) on Pan India Basis during the year 2024-25. Total 12691 PMKSK;s were established. These PMKSK are unique initiative to support the farmers as a one stop solution. During the year, 285 Field Demonstrations, 138 Soil Testing Days, 452 Farmers' Meetings, 18 Krishi Melas, 6 Veterinary Camp/Rural Sports, 23 Exhibitions, etc. were organized for the benefit of the farmers.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:** [101]

	As a % to total turnover
Environmental and social parameters relevant to the product	100
Safe and responsible usage	100
Recycling and/or safe disposal	100

[99] *GRI 413 -1,* [100] *GRI 2-25,* [101] *GRI 417-1*

3. **Number of consumer complaints in respect of the following:** [102]

	FY 2024-25 (Current Financial Year)		Remarks	FY 2023-24 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other i.e. Customers	-	-	-	1	-	-

4. **Details of instances of product recalls on account of safety issues:** [103]

	Number	Reasons for recall
Voluntary recalls	0	N.A.
Forced recalls	0	N.A.

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.** [104]

   Yes, RCF has implemented Information security management system and is certified for ISO 27001:2013.

   https://www.rcfltd.com/public/storage/cmspages/cmspdfFile/F1671539569-Information%20Security%20Policy%20Dec2021.pdf

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.** [105]

   There were no complaints received w.r.t. cyber security and data privacy during the reporting year.

7. **Provide the following information relating to data breaches:** [106]

   a) **Number of instances of data breaches**

      Nil, there were no instances of reportable data breaches in the current financial year.

   b) **Percentage of data breaches involving personally identifiable information of customers**

      Nil, there were no instances of reportable data breaches involving personally identifiable information of customers.

   c) **Impact, if any, of the data breaches**

      Not applicable as there were no reportable data breaches for the year.

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).** [107]

   - For general purpose

   Web link: https://www.rcfltd.com/

[102] *GRI 418 -1,* [103] *GRI 416-2,* [104] *GRI 2-23,* [105] *GRI 3-3,* [106] *GRI 418-1,* [107] *GRI 2-6*

Information can be obtained from the RCF's toll free number 1800-22-3044 for farmers

RCF operates customer care service 022 25523044 for farmers

For Specific Products:

Fertilizers - https://www.rcfltd.com/product-fertilizer/fertilizer-1

Industrial Products - https://www.rcfltd.com/product-media/ipd-1

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.** [108]

RCF has undertaken several agriculture extension activities so as to educate the farmers on efficient use of agro-inputs and provided know-how on improved and scientific methods of cultivation contributing to increase in their farm yield. Some of the services so undertaken during the year are as under:

- ✓ **Soil Sample Analysis:** 35,234 number of NPK and 12,461 number of Micro-nutrient analysis have been done and Soil Health Cards distributed.
- ✓ **Farmer Training Centres** are operational at Thal and Nagpur for imparting residential training to farmers. A total of 28 programs were undertaken benefitting 847 farmers during the year.
- ✓ **RCF Kisan Care Toll Free service 1800-22-3044** was operated for imparting Agricultural information to the farming community.
- ✓ **RCF Customer Care No. 022 25523044** is operational for guiding & resolving queries regarding RCF Products.
- ✓ **RCF Sheti Patrika:** 7.20 lakh copies of RCF Sheti Patrika (Marathi edition) covering the relevant subjects pertaining to Agriculture and allied fields were monthly printed & distributed to farmers.
- ✓ **e-magazine of RCF Sheti Patika (Hindi edition) is published quarterly**.
- ✓ **Social Media:** Information has been shared through social media (WhatsApp, Facebook, Twitter, Instagram and You Tube) with **handle@rcfkisanmanch**.
- ✓ **Agricultural Extension Services:** 285 Field Demonstrations, 138 Soil Testing Days, 452 Farmers' Meetings, 18 Krishi Melas, 6 Veterinary Camp/Rural Sports, 23 Exhibitions, etc. were organized for the benefit of the farmers.
- ✓ **Adoption of Villages for Promotion of City Compost/ Biofertilizer/ PDM/PROM/Nano Urea, etc:** 10 villages from Maharashtra & Karnataka were selected for promotion of City Compost/ Biofertilizer/ PDM/PROM/Nano Urea, etc.
- ✓ **Promotion of PROM, PDM, FOM, LFOM & other Organic Fertilizer under PM-PRANAM Scheme:** RCF had conducted farmers meeting, farmers training, demonstrations etc to create awareness & educate farmers regarding benefits & usage of PROM, PDM, FOM, LFOM & other Organic Fertilizers.
- ✓ RCF has established **620 Pradhan Mantri Kisan Samrudhi Kendra (PMKSK)** on Pan India Basis during the year 2024-25. Total 12691 PMKSK's were established. These PMKSK are unique initiative to support the farmers as a one stop solution.
- ✓ **Development of Drone Hubs:** PMKSKs situated nearest to Drone Didis have been converted into Drone Hubs to support Drone Didis and to provide one-stop-shop for all Drone-related queries and requirements. 30 Drone Hubs were developed in Maharashtra, Karnataka, Andhra Pradesh, Telangana & Uttar Pradesh.
- ✓ RCF is organizing Broadcasting of Farming related Community Radio Programs, **"Samrudha Shetitun Vikasit Bharat"** through Five Community Radio Stations in Maharashtra since Dec-2023 for the Purpose of information dissemination, education and communication. Department of Fertilizers intends to create awareness about various programs and scheme of Department of Fertilizers viz. PM- PRANAM, balanced use of fertilizers, nutrient management etc. So far, more than 900 Community Radio programs were broadcasted.

[108] *GRI 3-3*

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

   The Company has a well-established contact mechanism for disseminating information on product availability or disruptions. This includes using email, toll free number, customer care number, social media, SMS, and notices at physical locations to notify end-users.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)** [109]

   Yes,

   RCF adheres to govt. guidelines by providing legally mandated product information in accordance with metrology regulations. Beyond the required statutory information, RCF also offers detailed guidance on crop-specific dosages, precautions, compatibility, and safety measures to support farmers.

   The entity conducts various periodical meetings with the consumers i.e. farmers to have the comprehensive feedback of the products and take the steps for continuous improvement in quantity and services.

[109] *GRI 417 -1*

Annexure – ESG Materiality Assessment FY 2024-25

Setting the ESG priorities:

ESG Material Assessment identifies key Environment, Social and Governance (ESG) factors that could impact business and stakeholders. RCF has considered a double materiality assessment, under which ESG factor is evaluated based on importance to the organization and its expected influence on business success, as well as the significance of the issue to stakeholders and their likely impact on business success based on the organization's efforts (or lack thereof) on this issue.

RCF has performed its First ESG Materiality Assessment in FY2024-25 and has identified 14 material topics which are important to the business and stakeholders.

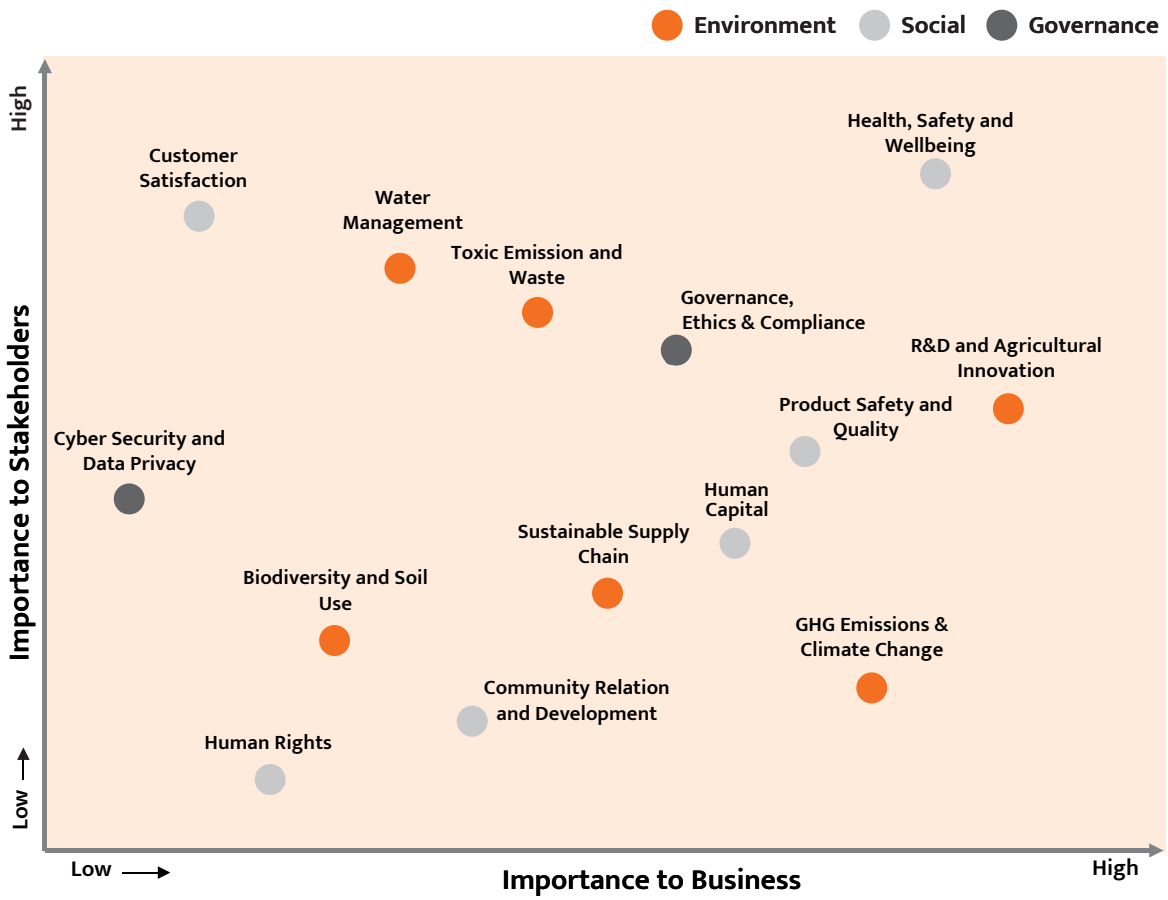
The Materiality Assessment has been done by factoring global ESG standards and framework including GRI, SASB and MSCI and BRSR, benchmarking against peer materiality matrix across the chemical and fertilizer sector and inputs from extant government regulations.

All the ESG materiality topics identified after inputs from above sources were shared to key stakeholders through an online survey for determining importance to stakeholders. The stakeholder group for the survey consisted of employees (management and non-management), customers, dealers & distributors, and domestic and international suppliers and contractors.

The material topics important to the business were identified by means of engagement through senior management of RCF, peer analysis and inputs from methodology used by ESG Rating Agencies.

The highest material topics so identified have been specified as risk or opportunity and RCF is envisaging actions to mitigate the risk and leverage on the opportunities identified.

ESG Materiality Matrix



CORPORATE GOVERNANCE REPORT

COMPANY's PHILOSOPHY ON CODE OF GOVERNANCE

The Company believes that good corporate governance is fundamental to the enhancement of the value of the Company and its long term growth. Based on the core principles of fairness, transparency and accountability, the Company strives to maintain a high standard of corporate governance through the establishment of a comprehensive and efficient framework of policies, procedures and systems and the promotion of a responsible corporate culture.

BOARD OF DIRECTORS

Composition of the Board

The Company is a Government Company within the meaning of Section 2(45) of the Companies Act, 2013 as the President of India holds 75% of the paid-up Share Capital of the Company. As per Articles of Association of the Company, the power to appoint Chairman & Managing Director and Whole-time Functional Directors vests with the President of India. Other Directors are also appointed on recommendations of the Government of India.

As on 31.03.2025, the Board comprises Six Directors out of which Four are Executive Directors including Chairman & Managing Director and Two Government Nominee Directors . The present Non-Executive Directors have been on the Board of other Companies and have rich experience in managing the business. The whole-time functional Directors are professionals in their respective fields having long and varied experience in varied Industries. Brief profile of the Directors is set-out at Annexure in this report.

BOARD MEETINGS

As per the policy of your Company, apart from the matters which are required to be statutorily decided by the Board, all other major decisions involving investments and capital expenditure, mobilization of resources, Employee's Compensation etc., and major issues such as monthly performance, progress of projects, Industrial relations, market scenarios, budgets and plans etc., are discussed in the meetings as regular agenda items by the Board. All items which are obligatory as per the Corporate Governance code to be brought in the Board meetings are regularly discussed. Detailed agenda notes are circulated generally about a week in advance of the Board meetings. During the year 2024-25, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration. The Board periodically reviews the compliance reports of all laws applicable to the Company.

During the year under report, Fourteen [14] meetings were held by the Board viz. on May 17, 2024, June 6, 2024, June 13, 2024, July 11, 2024, August 12, 2024, August 21, 2024, September 5, 2024, September 6, 2024 (Adjournement of the meeting commenced on September 05, 2024), September 24, 2024, September 30, 2024, October 3, 2024, October 9, 2024 (Adjournment of the meeting commenced on October 03, 2024), October 21, 2024, November 13, 2024, February 12, 2025 and March 17, 2025.

The numbers of meetings attended by the Directors during the year are as under:

Name of Directors	Category	Number of Board Meetings held during the financial year 2024-25	Number of Board Meetings attended in the financial year 2024-25	Whether attended last AGM (held on September 30, 2024)	Number of Directorship in other companies		Number of Committee positions held in other Companies		Directorship in other companies
					As Chairman	As Director	As Chairman	As Member	
A. EXECUTIVE DIRECTORS									
Shri S. C. Mudgerikar (DIN: 03498837)	Chairman & Managing Director	14	14	Yes	1	1	-	-	1. Fertilisers and Chemicals Travancore Limited 2. The Fertiliser Association of India
Ms Nazhat J. Shaikh (DIN 07348075)	Director (Finance) & CFO	14	14	Yes	-	-	-	-	-
* Ms Ritu Goswami (DIN 10463372) (from 17.01.2024)	Director (Technical)	14	14	Yes	-	-	-	-	
Mr. Niranjan S. Sonak (DIN 10926090) (from 28.01.2025)	Director (Technical)	2	2	N.A.		-	-	-	-

Name of Directors	Category	Number of Board Meetings held during the financial year 2024-25	Number of Board Meetings attended in the financial year 2024-25	Whether attended last AGM (held on September 30, 2024)	Number of Directorship in other companies		Number of Committee positions held in other Companies		Directorship in other companies
					As Chairman	As Director	As Chairman	As Member	
B. NON-EXECUTIVE OFFICIAL DIRECTOR									
Ms Aneeta C. Meshram (DIN 09781436)	**Govt. Nominee Director**	**14**	**7**	**NO**	-	-	-	-	**1. Hindustan Fertilizer Corporation Limited 2. Fertilizer Corporation of India Limited**
Dr. Ajay Shanker Singh (DIN10449154) (upto 17.02.2025)	**Govt. Nominee Director**	**2**	**2**	**NO**	-	**1**	-	-	-
Ms Aparna S. Sharma (DIN 07798544) (from 18.02.2025)	**Govt. Nominee Director**	**1**	**0**	**NA**	-	-	-	-	-
C. NON-EXECUTIVE INDEPENDENT DIRECTORS									
Shri Gopinathan Nair Anilkumar (DIN 09447818) (upto 04.11.2024)	Independent Director	11	11	Yes	-	-	-	-	-

Note: In line with Regulation 26 of SEBI Listing Regulations, 2015, membership of only Audit committee and Stakeholders Relationship Committee has been considered.

* Department of Fertilizers, Ministry of Chemicals and Fertilizers, Government of India entrusted additional charge of the post of Director (Marketing) , to Ms Ritu Goswami, Director (Technical) for a period of one year immediate effect i.e. April 30, 2024 till January 27, 2025.

RELATIONSHIP BETWEEN DIRECTORS

None of the Directors are inter-se related to other Directors of the Company.

NUMBER OF SHARES HELD BY THE DIRECTORS

Ms Nazhat J. Shaikh, Director (Finance) & CFO) holds 100 equity shares of the Company. Except Ms Shaikh, none of the Directors were holding any shares/debentures in the Company as on March 31, 2025. The Company has not issued any convertible instruments.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The details of familiarisation programme imparted to Independent Director are disclosed on the:

https://www.rcfltd.com/public/storage/investers/1743070534.pdf

LISTOFCORESKILLS/EXPERIENCE/COMPETENCIES IDENTIFIED BY THE BOARD

The Board of Directors have identified the following Core Skills/ Practical Experience/ Special Knowledge/ Competencies as required in the context of its business(es) and sector(s) for it to function effectively. The same are in line with the relevant provisions of the Companies Act, 2013

1. Fertilizers and Chemicals
2. Finance;
3. Agriculture and Rural Economy;
4. Law;
5. Marketing;
6. Research and Development;
7. Economics;
8. Public Sector Undertaking;
9. Business Management;
10. Risk Management;
11. Human Resources;

12 General Administrative and Co-operation;

13 Costing

And

14. Any other matter the special knowledge of, and practical experience in, which would, in the opinion of the Board, be useful to the Fertilizer and chemical.

The Board has identified the following skill set with reference to its Business and Industry which are available with the Board:

Name of the Director	Expertise in specific functional area
Shri S. C. Mudgerikar	Fertilizers and Chemicals, Agriculture and Rural Economy, Risk Management, Public Sector Undertaking, Costing, Research and Development & Business Management
Ms Nazhat J. Shaikh	Fertilizers and Chemicals, Finance, Public Sector Undertaking, Economics, Costing, Risk Management & General Administrative and Co-operation
Ms Ritu Goswami	Fertilizers and Chemicals, Research and Development, Human Resources & Agriculture and Rural Economy
Shri Niranjan S. Sonak (Upto 28.01.2025)	Marketing, Agriculture and Rural Economy, Business Management & Public Sector Undertaking
Ms Aneeta C. Meshram	General Administrative and Co-operation, Finance, Fertilizers and Chemicals, Costing, Agriculture and Rural Economy & Public Sector Undertaking
Dr. Ajay Shaker Singh (upto 17.02.2025)	General Administrative and Co-operation, Finance, Fertilizers and Chemicals, Economics, Agriculture and Rural Economy & Public Sector Undertaking
Ms Aparna S. Sharma (from 18.02.2025)	General Administrative and Co-operation, Finance, Fertilizers and Chemicals, Costing, Agriculture and Rural Economy & Public Sector Undertaking
Shri Gopinathan Nair Anilkumar (upto 04.11.2024)	Law, General Administrative and Co-operation, Finance, Human Resources, & Agriculture and Rural Economy

CONFIRMATION FROM INDEPENDENT DIRECTORS

Board of Directors hereby certify that the Independent Directors of the Company fulfil the conditions specified in Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are Independent of the Management. Further, the Company does not have any Independent Directors on the Board from 05.11.2024.

APPOINTMENT OF INDEPENDENT DIRECTORS

During the year, the Company has not appointed any new Independent Director on the Board.

CESSATION OF INDEPENDENT DIRECTORS

During the year, Shri Gopinathan Nair Anilkumar, Independent Director of the Company ceased to be Director w.e.f. November 5, 2024 due to completion of his term.

BOARD COMMITTEES

The Board has constituted the following Committees

Audit Committee

Term of Reference

The Company endeavors that the constitution, quorum, scope etc. of the Audit Committee is in line with section 177 of the Companies Act, 2013, Regulation 18 of SEBI (LODR) Regulations, 2015 and guidelines on Corporate Governance as issued by Department of Public Enterprises. The scope of Audit Committee inter-alia includes the following:-

(1) oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(2) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;

(3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(4) reviewing with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

(a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

(b) changes, if any, in accounting policies and practices and reasons for the same;

(c) major accounting entries involving estimates based on the exercise of judgment by management;

(d) significant adjustments made in the financial statements arising out of audit findings;

(e) compliance with listing and other legal requirements relating to financial statements;

(f) disclosure of any related party transactions;

(g) modified opinion(s) in the draft audit report;

(5) reviewing with the management, the quarterly financial statements before submission to the board for approval;

(6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

(7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(8) approval or any subsequent modification of transactions of the listed entity with related parties;

(9) scrutiny of inter-corporate loans and investments;

(10) valuation of undertakings or assets of the listed entity, wherever it is necessary;

(11) evaluation of internal financial controls and risk management systems;

(12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(14) discussion with internal auditors of any significant findings and follow up there on;

(15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

(16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(18) to review the functioning of the whistle blower mechanism;

(19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

(20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

(21) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

Composition of the Audit Committee

The Audit Committee are comprising the following members:

Sr. No.	Name of Director	Designation
1	Shri Gopinathan Nair Anilkumar, Independent Director	Chairperson (upto 04.11.2024)
2	Ms Nazhat J. Shaikh, Director (Finance)	Member
3	Ms Ritu Goswami, Director (Technical)	Member (from 21.10.2024)
4	Dr. Ajay Shanker Singh, Government Nominee Director	Member (upto 17.02.2025)
5	Ms Aparna S. Sharma, Govt. Nominee Director	Chairperson (from 17.03.2025)

Chief Internal Auditor is the permanent invitee. The Company Secretary is the Secretary of the Committee. The Statutory Auditors and Cost Auditors are also invited for the meetings. Other Senior Executives are invited as and when required. The 46th AGM of the Company was held on September 30, 2024 and attended by Shri Gopinathan Nair Anilkumar, Chairperson of the Audit Committee.

Meetings and Attendance

During the year, the Audit Committee met five [5] times on May 17, 2024, June 6, 2024, August 13, 2024, November 13, 2024 & February 12, 2025 and the attendance was as under:

Name of Director	Number of meetings required to attend	Number of meetings attended
Shri Gopinathan Nair Anilkumar, Independent Director & Chairperson (upto November 4, 2024)	3	3
Ms Nazhat J. Shaikh, Director (Finance) & Member	5	5

Name of Director	Number of meetings required to attend	Number of meetings attended
Dr. Ajay Shanker Singh, Government Nominee Director & Member (upto 17.02.2025)	5	3
Ms Ritu Goswami, Director (Technical) & Member (from 21.10.2024)	2	2
Ms Aparna S. Sharma, Govt. Nominee Director & Chairperson (from 17.03.2025	-	-

The Committee is entrusted with power to seek information from any employee, to investigate, with the assistance of Internal Auditors, any activities/ functions and to seek any external assistance, if required.

During the year 2024-25, the Committee reviewed the audits conducted by Internal Audit Department, gave directions and sought further investigations and examinations, wherever necessary. The Committee also reviewed the financial statements before submitting to the Board and emphasized the importance of internal Control Systems. All the recommendations of the Audit Committee were accepted and implemented.

Nomination and Remuneration Committee

Term of Reference

The Company, being a Central Public Sector Enterprise, the appointment, tenure and remuneration of Directors are decided by the Government of India. Independent Directors are paid sitting fees for attending the Board/ Committee Meetings within the ceiling fixed under the Companies Act, 2013.

RCF being a Government company is exempted from applicability of provisions of the Companies Act, 2013, with regard to formulation of criteria for determining qualifications, positive attributes, evaluation of Directors, their remuneration, etc.

Remuneration of employees consisting of basic pay, perquisites, performance Incentives, retirement benefits is regulated as per guidelines laid down by Department of Public Enterprises (DPE), Government of India. Within the framework of DPE Guidelines, Remuneration Policy of the Company, recognize their contribution, retain talent in the organization and reward the merit.

Terms of reference of the committee is as under:

1. The committee identify persons who may be appointed in senior management in accordance with the criteria laid down and recommends to the Board their appointment and removal.
2. Deliberate and decide on Performance Related Pay (PRP) pool and policy of distribution of PRP to employees
3. devising a policy on diversity of board of directors

Composition of Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprising of Shri Gopinathan Nair Anilkumar, Independent Director as Chairperson (upto 04.11.2024), Ms Nazhat J. Shaikh, Director (Finance), Ms Ritu Goswami, Director (Technical) from 21.10.2024, Shri Niranjan S. Sonak, Director (Marketing) from 12.02.2025) & Ms Aneeta C. Meshram, Govt. Nominee Director as Members. The 46th AGM of the Company was held on September 30, 2024 and was attended by Shri Gopinathan Nair Anilkumar, Chairperson of the Nomination and Remuneration Committee.

Meetings and Attendance

During the year, the Committee met Five (5) times on May 16, 2024, September 30, 2024, October 21, 2024, February 12, 2025 & March 17, 2025 and the attendance is as under

Name of Director	Number of meetings required to attend	Number of meetings attended
Shri Gopinathan Nair Anilkumar (upto 04.11.2024)	3	3
Ms Aneeta C. Meshram	5	0
Ms Nazhat J. Shaikh	5	5
Ms Ritu Goswami (from 21.10.2024)	2	2
Shri Niranjan S. Sonak (from 12.02.2025)	1	1

Stakeholders Relations Committee

The Stakeholders' Relationship Committee has been constituted in line with the provisions of Regulation 20 of the SEBI (LODR) and Section 178 of the Act. The terms of reference of the committee inter-alia include:

(1) Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.

(2) Review of measures taken for effective exercise of voting rights by shareholders.

(3) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

(4) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

(5) Resolving grievances of debenture holders related to creation of charge, payment of interest/principal, maintenance of security cover and any other covenants.

The Stakeholders Relations Committee comprises of Shri Gopinathan Nair Anilkumar, Chairperson (upto 04.11.2024), Shri S. C. Mudgerikar, Chairman & Managing Director, Ms Nazhat J. Shaikh, Director (Finance), Ms Ritu Goswami, Director (Technical) and Shri Niranjan S. Sonak, Director (Marketing) from 12.02.2025 as Members of the Committee. Mr. J.B. Sharma being the Company Secretary and Compliance Officer is specifically entrusted with responsibility for redressal of investors complaints and report the same to the Committee. The 46th AGM of the Company was held on September 30, 2024 and was attended by Shri Gopinathan Nair Anilkumar, Chairperson of the Stakeholders' Relationship Committee.

Details of complaints received and redressed during the financial year 2024-25:

The details of complaints received and redressed during the financial year 2024-25 is as under:

1.	Number of investors complaints pending at the beginning of the year	0
2.	Number of investors complaints received during the year	11
3.	Number of investors disposed off during the year	11
4.	Number of investors complaints those remaining unresolved at the end of the year	0

The Company also received and attended various requests for change in address, recording for nomination, issue of duplicate share certificates/dividend warrants, unclaimed dividend, Form 15 G, Receipt of IEPF 5 Claim Form, stop transfer, registration of NECS/ECS details etc.

The Company has a designated email id investorcommunications@rcfltd.com exclusively for investors and for responding to their queries.

Meetings and Attendance

During the year 2024-25, the Committee met one [1] on May 16, 2024 and the attendance was as under:

Name of Director	Number of meetings required to attend	Number of meetings attended
Shri Gopinathan Nair Anilkumar (upto 04.11.2024)	1	1
Shri S. C. Mudgerikar	1	1
Ms Nazhat J. Shaikh	1	1
Ms Ritu Goswami	1	1
Shri Niranjan S. Sonak (from 12.02.2025)	0	0

Share Transfer Committee

The Share Transfer Committee looks into the following;

i) Transfer and transmission of shares; and

ii) Issue of duplicate share certificates and new certificates on Split/renewal/consolidation/demat to remat etc.

Share Transfer Committee comprising of Shri S. C. Mudgerikar, Chairperson, Ms Nazhat J. Shaikh & Ms Ritu Goswami as Members.

Meetings and Attendance

During the year 2024-25, the Committee met three [3] times on April 19, 2024 , June 6, 2024 & August 5, 2024 and the attendance was as under:

Name of Director	Number of meetings required to attend	Number of meetings attended
Shri S. C. Mudgerikar	3	3
Ms Nazhat J. Shaikh	3	3
Ms Ritu Goswami	3	3

There are no pending cases for transfer/transmission of shares/issue of duplicate share certificates.

Committee on Corporate Social Responsibility and Sustainable Development Committee (CSR)

Committee on Corporate Social Responsibility & Sustainable Development Committee (CSR) is constituted in line with the provisions of Section 135 of the Companies Act, 2013. The terms of reference of the committee inter-alia include:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII of the Companies Act, 2013 & rules made thereunder;

- Recommend the amount of expenditure to be incurred on the activities; and
- Monitor the Corporate Social Responsibility Policy of the company from time to time.
- Formulate Company's strategy relating to Environment Social Governance (ESG) and sustainability matters.
- Responsible for decision making on sustainability related issues
- Approve the Environment, Social, Governance (ESG) Policy
- Approve, allocate budget and monitors the sustainable development projects integrated into strategic plans of business units
- Approve the Business Responsibility & Sustainability Report

The CSR & SD Committee comprising of Shri Gopinathan Nair Anilkumar, Independent Director as Chairperson (upto 04.11.2024), Ms Nazhat J. Shaikh , Director (Finance), Ms Ritu Goswami, Director (Technical) (from 21.10.2024) & Ms Aneeta C. Meshram, Govt. Nominee Director as members.

Meetings and Attendance

During the year, the Committee met four (5) times on May 16, 2024, July 11, 2024, September 5, 2024, February 12, 2025 & March 17, 2025 and the attendance was as under:

Name of Director	Number of meetings required to attend	Number of meetings attended
Shri Gopinathan Nair Anilkumar (upto 04.11.2024)	3	3
Ms Aneeta C. Meshram	5	0
Ms Nazhat J. Shaikh	5	5
Ms Ritu Goswami (from 21.10.2024)	2	2

Risk Management Committee

Risk Management Committee is constituted in line with the provisions of Regulation 21 of SEBI (LODR) Regulations, 2015 to formulate, monitor and review risk management policy and plan. The terms of reference of the committee inter-alia include:

(1) To formulate a detailed risk management policy which shall include:

(a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

(b) Measures for risk mitigation including systems and processes for internal control of identified risks.

(c) Business continuity plan.

(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Committee comprised of the following members

Name of the Member	Designation
Shri S. C. Mudgerikar	Chairperson
Ms Nazhat J. Shaikh	Member
Shri Gopinathan Nair Anilkumar (upto 04.11.2024)	Member
Ms Ritu Goswami	Member
Shri Niranjan S. Sonak (from 12.02.2025)	Member

During the year, the committee met two (2) times on August 2, 2024 & February 12, 2025 and the attendance was as under:

Name of Director	Number of meetings required to attend	Number of meetings attended
Shri S. C. Mudgerikar	2	2
Shri Gopinathan Nair Anilkumar	1	1
Ms Nazhat J. Shaikh	2	2
Ms Ritu Goswami	2	2
Shri Niranjan S. Sonak (from 12.02.2025)	1	1

Empowered Committee for Procurement

Empowered Committee is constituted to approve procurement of Fertilizer Raw Materials for captive consumption and Fertilizers for Trading purpose upto a value of Rs. 1000 Crore in case of each procurement. Further, the Empowered Committee of Functional Directors is empowered to take all decisions pertaining to policy of bags, pre-qualification of vendors, issue of NIT and procurement of bags for packing Fertilizers at Trombay, Thal and various ports for marketing for the value up to Rs. 300 Crores in each case.

Committee comprising Shri S. C. Mudgerikar, Chairman & Managing Director as Chairperson, Ms Nazhat J. Shaikh, Director (Finance), Ms Ritu Goswami, Director(Technical) and Shri Niranjan S. Sonak, Director (Marketing) (from 28.01.2025) as members. During the year, the Committee met Forty Eight (48) times on April 20, 2024, May 9, 2024, May 11, 2024, May 15, 2024, May 17, 2024, June 6, 2024, June 10, 2024, June 11, 2024, June 13, 2024, June 19, 2024, July 3, 2024, July 9, 2024, August 1, 2024, August 2, 2024, August 5, 2024, August 7, 2024, August 9, 2024, August 13, 2024, August 23, 2024, August 24, 2024, August 31, 2024, September 4, 2024, September 5, 2024, September 18, 2024 (10.30 am), September 18, 2024 (4.30 pm), September 28, 2024, October 11, 2024, October 15, 2024 (11.00 am), October 15, 2024 (4.30 pm), October 19, 2024, November 4, 2024, November 5, 2024, November 11, 2024, November 13, 2024, November 15, 2024, November 27, 2024, December 3, 2024, December 20, 2024, January 4, 2025, January 29, 2025, February 22, 2025, March 4, 2025, March 7, 2025, March 12, 2025, March 15, 2025, March 17, 2025 March 20, 2025 & March 21, 2025 and the attendance was as under:

Name of Director	Number of meetings required to attend	Number of meetings attended
Shri S. C. Mudgerikar	48	48
Ms Nazhat J. Shaikh	48	48
Ms Ritu Goswami	48	48
Shri Niranjan S. Sonak (from 28.01.2025)	9	9

Empowered Committee for Procurement of Urea on Govt. Account

Empowered Committee for Procurement of Urea on Government Account is constituted to approve the Procurement of Urea on Govt. account upto INR 5,000 crore against each tender and to approve entering into MoU for import of Fertilizers for trading for a maximum of 5 lakh MT in a single MoU.

Committee comprising Shri S. C. Mudgerikar, Chairman & Managing Director as Chairperson, Ms Nazhat J. Shaikh, Director (Finance), Ms Ritu Goswami, Director (Technical) Shri Niranjan S. Sonak, Director (Marketing) (from 28.01.2025) & Shri Gopinathan Nair Anilkumar, Independent Director (upto 04.11.2024) as members.

During the year, the Committee met three (3) times on April 8, 2024, October 12, 2024 & January 31, 2025 and the attendance was as under:

Name of Director	Number of meetings required to attend	Number of meetings attended
Shri S. C. Mudgerikar	3	3
Ms Nazhat J. Shaikh	3	3
Shri Gopinathan Nair Anilkumar (upto 04.11.2024)	2	2
Ms Ritu Goswami	3	3
Shri Niranjan S. Sonak (from 28.01.2025)	1	1

Debenture Allotment Committee

The Debenture Allotment Committee of the Board is constituted to decide and allot NCDs on private placement. Committee is comprising of Chairman & Managing Director as Chairperson and two whole time directors i.e. Director (Technical) or Director (Marketing) & Director (Finance) as members.

During the year, the Committee met once on August 7, 2024 and the attendance was as under:

Name of Director	Number of meetings required to attend	Number of meetings attended
Shri S. C. Mudgerikar	1	1
Ms Nazhat J. Shaikh	1	1
Ms Ritu Goswami	1	1

REMUNERATION OF DIRECTORS

Remuneration to Functional Directors

Functional (Executive) Directors are appointed by President of India in terms of Article 81(1) of the Articles of Association of the Company and their remuneration and other terms and conditions are governed by the terms of appointment as decided by the Government. While the Chairman & Managing Director is appointed in Schedule 'A' scale i.e. ₹ 2,00,000 - 3,70,000/- the other functional Directors are appointed in Schedule 'B' Scale i.e. ₹ 1,80,000 - 3,40,000/. All other terms and conditions of appointment such as accommodation, provision of car etc., are same for all directors and are specified in their respective appointment orders. Any other terms not specified in the said order are in accordance with the rules applicable to the employees of your Company. Remuneration paid to the Directors during the year is as under:

(₹ In Crore)

Sl No.	Name of the Director	Salary and Allowances	Other Benefits, performance Related Pay and Perquisites	Total Remuneration
1.	Shri S. C. Mudgerikar, Chairman & Managing Director	0.58	0.26	0.84
2.	Ms. Nazhat J. Shaikh Director (Finance)	0.50	0.20	0.70
3.	Ms Ritu Goswami Director (Technical)	0.41	0.12	0.53
4.	Shri Niranjan S. Sonak	0.08	0.05	0.13

Note:

1. *The terms of appointment of the Functional Directors (Whole-time Directors including Chairman & Managing Director), as issued by the Government of India, provides that the appointment may, however, be terminated even during the period by either side on 3 months notice or on payment of three months salary in lieu therefore.*
2. *Other benefits and perquisites includes contribution to Provident Fund, pension, medical expenses etc. and actual payments towards leave encashment, if any.*
3. *Performance Related Payment are payable to the Functional Directors (Whole-time Directors including Chairman & Managing Director) as employees of the Company as per the policy applicable to all executives of the Company.*
4. *During the year, no Stock Options were issued by the Company to Whole-time Directors.*
5. *The remuneration to Functional Directors (Whole-time Directors including Chairman & Managing Director) does not include the provisions made for gratuity; leave encashment and post-retirement medical benefits as they are determined on an actuarial basis for the Company as a whole.*

Remuneration to Non- Executive Directors

The Independent Directors have been paid sitting fees of ₹30,000/- per meeting for attending meetings of the Board and ₹25,000 per meeting for attending meetings of the Committee. From May, 2024, the Independent Directors have been paid sitting fees of ₹ 40,000/- per meeting for attending meetings of the Board and ₹35,000 per meeting for attending meetings of the Committee. The sitting fees paid during the financial year 2023-24 is as follow:

Name of the Director	Sitting Fees (₹ in Lakh)
Shri Gopinathan Nair Anilkumar	9.40

Note: There were no other materially significant pecuniary relationships or transactions of the Independent Directors vis-à-vis the Company.

The Government Nominee Directors are not paid any sitting fee for attending the meetings.

Performance Evaluation criteria for Independent Directors

Being a Government Company, all the Directors on the Board of RCF are appointed by the Government of India. The performance evaluation of all the Directors including Independent Directors are done by the Department of the Central Government or Ministry, which is administratively in charge of the Company.

However, the evaluation of independent directors for the year 2024-25 has been done by the entire Board of Directors as per regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The evaluation criteria of the Independent Directors in line with "a guide to Board evaluation under the Companies Act, 2013 issued by the Institute of Company Secretaries of India is as under:

- Participation at Board/ Committee Meetings
- Managing Relationship
- Personal Attributes
- Code of Conduct

Separate Meeting of Independent Directors

As on March 31, 2025, the Company does not have any Independent Directors on its Board w.e.f. 05.11.2024. Further, due to non-availability of Independent Directors (including women Independent Director) on the Board of the Company, no separate meeting of Independent Director was conducted during the financial year 2024-25 in accordance with Section 149(8) read with Schedule IV of the Companies Act, 2013 and also as per Regulation 25 (3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Code of Conduct for Directors and Senior Management Personnel

The Company has adopted a code of conduct and ethics applicable to the Board of Directors and Senior Management Personnel (one level below the Board of Directors) of the Company. The code requires Directors and employees to act honestly, fairly, ethically, and with transparency and integrity. The Board of Directors and Senior Management Personnel are required to affirm compliance with the code of conduct on an annual basis. The code has been displayed on the Company's website www.rcfltd.com. All Directors and Senior Management Personnel have complied with the code and the compliance has been affirmed by them to that effect. A declaration signed by Chairman & Managing Director is given below:

This is to certify that in line with the requirement of Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Directors of the Board and Senior Management personnel have affirm that to the best of their knowledge and belief, they have complied with the provisions of the 'Code of Conduct for the Directors and Senior Management' during the financial year 2024-25.

Sd/-
(S. C. Mudgerikar)
Chairman & Managing Director

Place: Mumbai
Date: May 27, 2025

Particulars of senior management including the changes therein since the close of the previous financial year

The list of senior management including changes therein are hosted on the website of the Company and also filed with the stock exchanges and can be accessed at the link https://www.rcfltd.com/public/storage/investers/1755510751.pdf

General Body Meetings

The details of the last three Annual General Meetings (AGM) held are as under:

Financial Year	Time and Date	Venue
2023-24	3.00 p.m. on 30.09.2024	Meeting conducted through VC / OAVM pursuant to the MCA Circular
2022-23	3.00 p.m. on 20.12.2023	Meeting conducted through VC / OAVM pursuant to the MCA Circular
2021-22	3.00 p.m. on 23.12.2022	Meeting conducted through VC / OAVM pursuant to the MCA Circular

Particulars of Special Resolution passed at the last three AGMs

Financial Year	Time and Date	Venue	Special Resolutions Passed
2023-24	3.00 p.m.	Meeting conducted through VC / OAVM pursuant to the MCA Circular	1. Offer or invitation to subscribe to Secured or Unsecured Non-Convertible Debentures on private placement. 2. Adoption of New Sets of Articles of Association of the Company
2022-23	3.00 p.m. on 20.12.2023	Meeting conducted through VC / OAVM pursuant to the MCA Circular	1. Offer or invitation to subscribe to Secured or Unsecured Non-Convertible Debentures on private placement. 2. Amendment to the Articles of Association of the Company.
2021-22	3.00 p.m. on 23.12.2022	Meeting conducted through VC / OAVM pursuant to the MCA Circular	1. Offer or invitation to subscribe to Secured or Unsecured Non-Convertible Debentures on private placement.

Details of Resolution passed through Postal Ballot, the person who conducted the Postal Ballot exercise and details of voting pattern:

No item warranted the conducting of postal ballot as stipulated in the Companies Act, 2013. No Special resolution has been proposed to be conducted through postal ballot.

Means of Communication

The Company regularly interacts with the shareholders through multiple channels of communication such as publication of its results on quarterly, half yearly and annual basis in the main edition of national and vernacular newspapers such as Financial Express, Loksatta and the Company's website, i.e. www.rcfltd.com.

All Official Press Release are hosted on the website of the Company.

The quarterly results, shareholding pattern, corporate governance reports, intimation of Board meetings, etc. are filed with the stock exchanges through NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre.

The annual report, quarterly, half yearly and annual results, Corporate governance report, terms and conditions of appointment of Independent directors, details of various services provided to investors etc. are posted on the website of the Company, i.e. www.rcfltd.com.

The investors can also find on this website the Annual Reports, Quarterly Results, various policies of the Company, details of unpaid dividend, composition of various committees of the Board of Directors, terms and conditions for appointment of independent directors, details of various services being provided to investors, guidance and procedure to be followed by the investors for transfer, transmission and transposition of the securities, de-materialisation, re-materialisation of shares, details of shares to be transferred to Investor Education and Protection Fund, etc.

During the year, no presentations was made to institutional investors or to the analysts.

A Management Discussion and Analysis report is a part of this Annual Report

General Shareholder information:

Annual General Meeting

Date :- Friday, October 17, 2025 Time:- 3.00 p.m.

Venue :- The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated May 5, 2020, December 28, 2022, September 25, 2023 and October 3, 2024 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.

Financial Year : April 1 to March 31

For the financial year ended March 31, 2025, the financial results were announced on:

- August 12, 2024 : First Quarter
- November 13, 2024: Second Quarter
- February 12, 2025 : Third Quarter
- May 27, 2025 : Forth Quarter & Annual

Payment of dividend

The Board of Directors of your Company have recommended a final dividend of Rs.1.32 per share for the financial year 2024-25 subject to the approval of the members at ensuing Annual General Meeting which will be paid after Friday, October 17, 2025

Listing Information

The Company's equity shares are listed on the BSE Limited and the National Stock Exchange of India Limited.

Name of Stock Exchange	Address	Stock/ Scrip Code (Equity)	Stock/ Scrip Code (NCDs)
BSE Limited (BSE)	25th Floor, P J Towers, Dalal Street, Mumbai 400 001	524230	959872/ 975890
The National Stock Exchange of India Limited (NSE)	Exchange Plaza,C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051	RCF	INE027A07012/ INE027A08028

The Company has paid Listing fees in respect of its listed securities to both the stock exchanges for the financial year 2025-26.

In addition, Redeemable, Non-Cumulative, Taxable, Non-Convertible Debentures are listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE), on the Whole Sale Debt Market (WDM) Segment.

Market Price Data

Monthly high and low prices and volumes of equity shares of the Company at BSE and NSE for the financial year ended March 31, 2025.

Month	BSE Limited			The National Stock Exchange of India Limited		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
Apr-24	155.00	129.50	49,67,712	154.90	129.10	34,78,131
May-24	169.15	136.25	73,36,322	169.40	136.10	44,29,448
Jun-24	227.85	133.10	2,95,09,869	227.70	133.00	2,41,91,924
Jul-24	245.00	192.10	2,44,19,166	245.00	192.10	2,10,80,243
Aug-24	221.35	185.35	72,19,625	221.40	185.21	50,67,487
Sep-24	205.45	180.15	29,19,106	205.50	180.21	24,80,759
Oct-24	189.40	147.75	34,76,339	189.30	147.80	27,78,256
Nov-24	180.50	148.60	30,81,183	180.50	148.55	28,10,071
Dec-24	188.95	165.50	36,51,814	188.89	165.50	36,57,598
Jan-25	184.45	147.30	47,62,660	184.40	147.35	36,18,100
Feb-25	171.30	115.95	32,54,004	161.49	115.75	19,89,199
Mar- 25	135.50	110.70	31,37,405	135.38	110.80	25,07,097

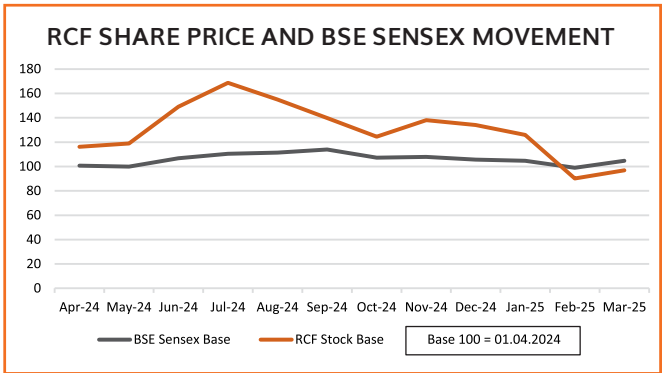
During the year, your Company's shares were actively traded on BSE and NSE. The shares were traded in the range of a maximum of ₹ 245.00 [on 12.07.2024] and minimum of ₹ 110.70 [on 03.03.2025] at BSE.

Stock Price Performance in comparison to broad-bases indices

During the year 2024-25, the share price of the Company opened at ₹ 129.60 on 01.04.2024 and closed at ₹ 125.55 on 28.03.2025 on the BSE thereby decreasing by 3.22%. During the same period, BSE Sensex opened at 73,968.62 on 01.04.2024 and closed at 77,414.92 on 28.03.2025 thereby increasing by 4.66% during the same period, NSE Nifty 50 opened at 22,455 on 01.04.2024 and closed at 23,519.35 on 28.03.2025 thereby decreasing by 4.74%.

Performance of the share price of the Company in comparison to the BSE Sensex

The relative performance (on base of 100 as on 01.04.2024) of the monthly closing price of the Company's share vis-a-vis BSE Sensex during the year 2024-25 is given below:



Corporate Identity Number (CIN) of the Company: L24110MH1978GOI020185

Share Transfer Agent

MUFG Intime India Private Limited
(Erstwhile Link Intime India Private Limited)
Address : C-101, 247 Park, L B S Marg
Vikhroli West, Mumbai 400 083
Ph : +91 810 811 6767
Email: rnt.helpdesk@in.mpms.mufg.com

The Share Transfer Agents have also service centres at Delhi, Kolkata, Coimbatore, Ahmedabad, Pune and Vadodara where also the transfer deeds and other correspondence are accepted. All requests received for transfer through the investors' Depository Participants (DP) are processed through NSDL/CDSL and downloaded periodically by the Registrar and records updated. Requests for transfer in physical form received are effected within a fortnight.

Distribution of Shareholding

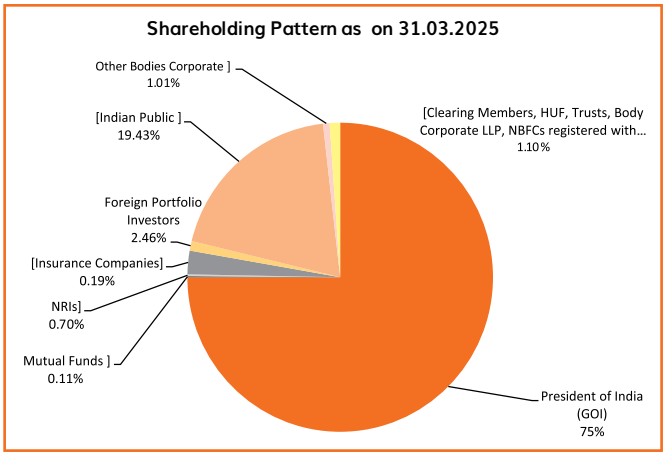
The shareholding distribution of equity shares of nominal value of ₹10/- each as on March 31, 2025 is as under:

Sl. No	No. of Shares held	No. of shareholders	% of total	Share amount ₹]	% of total
1	1 - 5000	331330	90.34	332811470	6.03
2	5001 - 10000	19167	5.23	153835380	2.79
3	10001 – 20000	8688	2.37	131981050	2.39
4	20001 – 30000	2821	0.77	72376090	1.31
5	30001 – 40000	1202	0.33	43367120	0.79
6	40001 – 50000	997	0.27	47557610	0.86
7	50001 – 100000	1488	0.40	110779470	2.01
8	100001 - and above	1079	0.29	4624172810	83.82
	Total	**366772**	**100.00**	**5516881000**	**100.00**

Shareholding Pattern

The shareholding pattern of the company as on March 31, 2025 is as follows:-

Category	No. of Shares	% of Holding
President of India (GOI)	413769483	75.00
Mutual Funds	606441	0.11
Insurance Companies	1049836	0.19
Foreign Portfolio Investors (Corporate) I & II	13582812	2.46
Bodies Corporate	5547502	1.01
Indian Public	107198726	19.43
NRIs	3843187	0.70
Clearing Members, HUF, Trusts, Body Corporate LLP, NBFCs registered with RBI, IEPF & Alternate Invest Fund -III	6090113	1.10
Total	**551688100**	100.00



Dematerialization of Shares and Liquidity

The Equity Shares of the Company are compulsorily traded in dematerialised form and the Company has signed agreements with both the Depositories i.e. National Securities Depositories Limited and Central Depository Services (India) Limited. As on March 31, 2025, out of the total 55,16,88,100 equity shares, 55,06,83,800 shares, i.e., 99.82% are in demat segment and only 10,04,300 i.e. 0.18 % are in physical form.

Outstanding GDRs/ADRs/warrants/convertible instruments and their impact on equity

Your Company has not issued any GDRs/ADRs/Warrants or any convertible instruments so far.

Commodity price risk or foreign exchange risk and hedging activities:

Commodity Risk

SEBI vide its circular dated November 15, 2018 pertaining to disclosure regarding commodity risk has prescribed that

all listed entities shall make uniform disclosures regarding commodity risk and hedging activities in the Corporate Governance Report section of the Annual Report. The disclosure pertaining to exposure and commodity risks may apply only for those commodities where the exposure of the Company in the particular commodity is material.

The Company has a Board approved policy for risk management covering the exposure towards Commodities.

Exposures of the Company to aforesaid commodities and commodity risks faced by the Company throughout the Financial Year 2024-25

Total exposure of the Company to commodities – ₹ 8,694.77crore

a. Exposure of the Company to the aforesaid commodities is as under:

Commodity Name	Exposure in INR towards the particular commodity (₹ in Crore)	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic Market		International Market		Total
			OTC	OTC	OTC	Ex-change	
Natural Gas	8,078.91	67313216.01 MMBTU	NIL	NIL	NIL	NIL	NIL

Note:-Disclosure made with respect to such commodities wherein its exposure is more than 10% of its total expenses.

Commodity Risks faced by the Company during the Financial Year 2024-25 and how they have been managed

Natural Gas is the major raw material for manufacture of Urea, NPK fertilizers and some Industrial Chemicals. Based on the basket of gases sourced by the Company, the prices of Natural Gas are linked to international crude oil/gas prices and it varies with the fluctuation in the prices of crude oil/gas, demand supply pattern, etc. and also price as determined as per applicable Government formula for Domestic gas.

The Company is not affected by price volatility of natural gas with respect to quantity of gas consumed in Urea as the cost of natural gas is pass through under the subsidy policies of Government of India for manufacture of Urea. However, in respect of consumption in NPK fertilizers and Industrial chemicals it is exposed to risk of volatility in prices. The Company did not enter into any transaction for hedging the fluctuations in the prices of natural gas and is in the process of formulation of a policy for covering the exposure towards commodity risk and hedged exposure etc.

Foreign Exchange Risk

The foreign exchange risk of the Company arises mainly out of import of fertilisers, raw materials for fertilizers and foreign currency borrowings. Company has a Board approved Policy for management of foreign currency risks and the Board is apprised of the impact of the same on a quarterly basis.

In order to mitigate the foreign exchange risk, the Company continuously monitors its foreign exchange exposure and hedges its foreign exchange risk in this regard, to the extent considered necessary, through forward contracts, other derivative products etc. The details of foreign currency risk and hedging activities are also given in the Notes to Financial Statements.

Plant Location

Your Company has two manufacturing units located at :-

- Trombay Unit: Mahul Road, Trombay, Mumbai-400 071;
- Thal Unit: Alibag, Thal, Raigad, 402208, Maharashtra.

Your Company markets its products through various marketing offices located throughout the Country.

Registered Office/Address for Correspondence:

The Company Secretary
Rashtriya Chemicals and Fertilizers Limited
"Priyadarshini",
Eastern Express Highway, Sion,
Mumbai 400 022.
India.
Tel. 022 2404 5024
e-mail: investorcommunications@rcfltd.com

ISIN of the Company

The Company's International Securities Identification Number (ISIN) for Equity is INE027A01015.

The Company's International Securities Identification Number (ISIN) for NCD is INE027A07012.

The Company's International Securities Identification Number (ISIN) for NCD is INE027A08028.

Credit Ratings

The details of the Credit Ratings assigned to the Company as on March 31, 2025 are as under:

Type of Facility/ Programme	Amount (₹ in Crore)	Credit Rating Agency	Rating Assignment
Commercial Paper	3000	ICRA	ICRA A1+
Commercial Paper	3000	CARE	CARE A1+
Long Term Bank Facilities	4600	ICRA	ICRA AA
Long Term / Short Term Non Fund Based -Others	500	ICRA	ICRA AA / ICRA A1+
Short Term Bank Lines	21000	CRISIL	CRISIL A1+
NCD	2000	ICRA	ICRA AA
NCD	2000	India Ratings	IND AA

Utilisation of funds raised through issue of Non-convertible Debentures

During the year 2020-21, the Company had issued 5,000, 6.59% Listed, Secured, Rated, Redeemable, Taxable, Non-Convertible Bonds in the nature of Debentures (NCDs) of face value of ₹ 10,00,000/- (Rupees Ten Lakh only) each, aggregating to ₹ 500 crores (Rupees Five Hundred Crores only) on private placement basis for cash at par, in dematerialized form (ISIN: INE027A07012). The funds raised through issuance of NCDs have been utilised for augmentation of long-term working capital of the company, capital expenditure including recoupment of capital expenditure already incurred.

During the year, the Company has redeemed 3,000 Non-Convertible Bonds in the nature of Debentures (NCDs), having ISIN INE027A08010, of face value of ₹ 10,00,000/- (Rupees Ten Lakh only) each on January 31, 2025.

During the year 2024-25, the Company had issued 3,000, 7.99% Listed, Unsecured, Rated, Redeemable, Taxable, Non-Convertible Bonds in the nature of Debentures (NCDs) of face value of ₹ 10,00,000/- (Rupees Ten Lakh only) each, aggregating to ₹ 300 crores (Rupees Three Hundred Crores only) on private placement basis for cash at par, in dematerialized form (ISIN: INE027A08028). The funds raised through issuance of NCDs have been utilised for augmentation of long-term working capital of the company, capital expenditure including recoupment of capital expenditure already incurred.

Debenture Trustee

SBICAP Trustee Company Limited
Registered Office :
Mistry Bhavan, 4th Floor,
122 Dinshaw Vachha Road,
Churchgate, Mumbai – 400 020

Corporate Office :
Mistry Bhavan, 4th Floor,
122 Dinshaw Vachha Road,
Churchgate, Mumbai – 400 020
Email id :- corporate@sbicaptrustee.com
Website : www.sbicaptrustee.com

Unclaimed Dividend

In case of non-receipt of dividend, shareholders may write to the Company Secretary or to Link Intime India Private Limited [R&T Agent] furnishing the particulars of the dividend not received, quoting the folio number/ client ID particulars in case of dematerialized shares. On verification of the records, if the dividend warrants remain unpaid in the records of the Company after expiry of the validity period, duplicate dividend warrants will be issued.

Pursuant to the provisions of Section 124 of the Companies Act, 2013, dividend for the financial year ended March 31, 2018 which remains unclaimed on October 31, 2025 will be transferred by the Company to the Investor Education and Protection Fund [IEPF] established by the Central Government. The dividend for the undernoted years, if remaining unclaimed, for a period of seven years will be statutorily transferred by the company to IEPF in accordance with the schedule given below:

Sl. No	Financial Year	Date of declaration of dividend	Unclaimed dividend as on 31.03.2024 (₹ In lakh)	Last date for claiming unpaid dividend
1	31.3.2018	26.09.2018	8.74	31.10.2025
2	31.03.2019	24.09.2019	9.56	29.10.2026
3	31.03.2020	30.12.2020	41.10	03.02.2027
4	31.03.2021 (Interim)	05.02.2021	13.88	13.03.2028
5	31.03.2021 (Final)	28.10.2021	19.82	04.12.2028
6	31.03.2022 (Interim)	10.11.2021	10.97	15.01.2029
7	31.03.2022 (Final)	23.12.2022	19.21	27.01.2030
8	31.03.2023 (Interim)	29.11.2022	9.24	03.01.2030
9	31.03.2023 (Final)	20.12.2023	20.93	24.01.2031
10	31.03.2024 (Final)	30.09.2024	15.31	04.11.2031

The details of unclaimed shares transferred to IEPF during year 2024-25:

Sl. No.	Financial year	Number of shares transferred to IEPF
1	2016-17	29,444

The details of unclaimed dividend transferred to IEPF during year 2024-25:

Sl. No.	Financial year	Amount of unclaimed dividend transferred to IEPF (₹ in Lakh)
1	2016-17	14.52

Nodal Officer for Investor Education and Protection Fund

In compliance with Companies Act, 2013 and The Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, Shri J. B. Sharma, Company Secretary of the Company has been appointed as Nodal Officer for the purpose of coordination with IEPF Authority. Shri Rupesh Tawde, Senior Manager (CS) of the Company has been appointed as Deputy Nodal Officer for the purpose of coordination with IEPF Authority.

Calendar of events:

Sl. No.	Event	Likely date
(i)	Announcement of 1st Quarterly (unaudited) financial result for FY 2025-26	August 12, 2025
(ii)	Book Closure for the purpose of Dividend and AGM.	Saturday, October 11, 2025 to Friday, October 17, 2025 (both days inclusive)
(iii)(a)	AGM Date	Friday, October 17, 2025 at 3.00 p.m.
(iii)(b)	AGM Venue	The Company is conducting meeting through VC / OAVM pursuant to the MCA Circulars dated May 5, 2020, December 28, 2022, September 25, 2023, & September 19, 2024 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.
(iv)	Announcement of unaudited half yearly result for FY 2025-26	On or before November 14, 2025
(v)	Announcement of 3rd quarterly (unaudited) financial result for FY 2025-26	On or before February 14, 2026
(vi)	Announcement of Audited results for FY 2025-26	On or before May 30, 2026

Dividend Distribution Policy.

Your Company has adopted the Dividend Distribution Policy of the Company as required in terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Dividend Distribution Policy is available on

https://www.rcfltd.com/public/storage/cmspages/cmspdfFile/F1616391875-Dividend%20Distributon%20Policy.pdf

In the interest of providing transparency to the shareholders, the Policy sets out the circumstances and different factors i.e. internal and external including financial parameters for consideration by the Board while declaring dividend or of retention of profits and the circumstances under which the shareholder of the company may not expect any dividend.

Your Company has been paying dividend from its inception except in the years 1993-94 and 2002-03. Your Company endeavours to pay dividend ensuring, generally, that the payout is about 30% of its net profit after tax.

Other Disclosures:

Materially significant related party transactions:

There are no related party transactions entered into by your Company with the promoters, Directors or Management and their subsidiaries or relatives etc. that may have a potential conflict with the interest of your Company.

Your Company has complied with all the provisions of the Companies Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI guidelines, and other authorities on any matter related to capital markets during last 3 years.

Details of non-compliance/ penalties / strictures imposed during the last three years

There were no strictures or penalties imposed on the Company by either Stock Exchanges or Securities and Exchange Board of India or any statutory authority for non-compliance on any matter related to capital markets during the past three years, except penalty levied by NSE and BSE for Non-compliance with the requirements pertaining to the composition of the Board under Regulation 17 (i.e.non appointment of requisite number of Independent Directors including woman independent director) , Regulation 18 (i.e. Non-compliance with the constitution of audit committee) , Regulation 19 (Non-compliance with the constitution of nomination and remuneration committee), Regulation 20 (Non compliance with the constitution of Stakeholders Relationship Committee) & Regulation 21 (Non compliance with the constitution of Risk Management Committee) of the Listing (Obligations and Disclosure Requirements) Regulations, 2015. Being a CPSE, the Company is not empowered to appoint any Director on its own on the Board of the Company. BSE & NSE had levied the fines of ₹ 1.90 Crore for the quarters ended – December 2021 till March 2025.Further, the Company has made an application to BSE & NSE for waiver of the said fine levied for quarter ended December, 2021 to March 2025.

NSE, vide letter dated December 7, 2023 & BSE, vide email dated August 14, 2024, had waived off the fines levied regarding non compliance of Regulation 60(2) of the Listing Regulations aggregating to ₹ 11,800/- and Regulation 52(7)) of the Listing Regulations aggregating to ₹ 12,980/-.

Vigil Mechanism- Whistle Blower Policy:

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of SEBI (LODR) Regulations, 2015, the Company had formulated Whistle Blower Policy to enable stakeholders including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices.

RCF had provided ample opportunities to encourage Directors and employees to become whistle blowers (Directors and employees who voluntarily and confidentially want to bring the unethical practices, actual or suspected fraudulent transactions in the organization to the notice of competent authority for the greater interest of the organization and the nation). It has also ensured a very robust mechanism within the same framework to protect them (whistle blowers) from any kind of harm. It is hereby affirmed that no personnel have been denied access to the Audit committee.

Your Company has put in place a fraud prevention policy. As a part of compliance with the policy, Company has appointed nodal officers for Trombay, Thal, Marketing and Corporate Office. The fraud prevention policy has been framed to provide a system for detection and prevention of fraud, reporting of any fraud that is detected or suspected and for dealing in matters pertaining to fraud. During the year under review, no such cases were reported.

In addition, your Company has Vigilance Department to bring greater transparency, integrity and efficiency. The focus of Vigilance department is on Preventive and Participative Vigilance.

Compliance with mandatory requirement of SEBI (LODR)

Your Company has complied with the Corporate Governance requirement under Regulation SEBI (LODR) Regulations and specifically to the requirements under Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 except that the Company did not have the requisite number of Independent Directors on its Board as prescribed under Regulation 17(1) of the SEBI (LODR) Regulations.

Your Company, being a Government Company under the administrative control of the Department of Fertilizer, Ministry of Chemicals and Fertilizers, Government of India, the power to appoint Directors (including Independent Directors) vests with the Government of India. Your Company is pursuing with the Government of India to induct requisite number of Independent Directors including woman independent director.

Integrity Pact

The Company has implemented Integrity Pact (IP) for enhancing transparency, probity, equity and competitiveness in its procurement process.

Presently, 2 Independent External Monitors (IEMs) have been nominated by the Central Vigilance Commission (CVC) to monitor the implementation of IP in all tenders, of the threshold value of ₹20 lakh.

Policy for determining material subsidiaries

The policy for determining material subsidiaries is disclosed on the https://www.rcfltd.com/public/storage/cmspages/cmspdfFile/F1629960833-POLICY%20FOR%20DETERMINING%20MATERIAL%20SUBSIDIARIES.pdf

Policy on dealing with related party transaction

The policy on dealing with related party transaction is disclosed on the https://www.rcfltd.com/public/storage/cmspages/cmspdfFile/F1755512757-Policy%20on%20Materiality%20of%20Related%20Party%20Transactions%20and%20dealing%20with%20Related%20Party%20Transactions.pdf

Policy On Board Diversity

Company has devised a Policy on Board Diversity of Board of Directors which is available at Company's website

https://www.rcfltd.com/public/storage/cmspages/cmspdfFile/F1564553235-DIVERSITY_POLICY.pdf

Details of utilization of funds raised through preferential allotment or qualified institutions placement

The Company has not raised any funds through preferential allotment or qualified institutions placement as specified in Regulation 32 (7A) of SEBI (LODR).

Certificate from Company Secretary in Practice

Shri S. N. Bhandari of M/s Bhandari & Associates, Practising Company Secretary, has issued a certificate as required under SEBI (LODR), confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors by the Securities and Exchange Board of India /Ministry of Corporate Affairs or any such statutory authority. The certificate is annexed with this section.

Fees paid to Statutory Auditors

The Comptroller and Auditor General of India (CAG) has appointed, M/s K. Gopal Rao & Co. (Firm Registration Number 000956S) and M/s Parakh & Co (Firm Registration Number 001475C) as Joint Statutory Auditors of your Company for the financial year 2024-25. The particulars of payment of Statutory Auditors' fees, on consolidated basis for FY 2024-25 is given below:

(₹ in Crore)

Sr. No.	Particulars	Year ended 31.3.2025
1	Audit fees for the year	0.38
2	Audit fees for Limited review	0.05
3	Certification Fees	0.14
4	Reimbursement of other expenses	0.04

Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

a. Number of complaints filed during the financial year : 1
b. Number of complaints disposed of during the financial year: 1
c. Number of complaints pending as on end of the financial year : Nil

Loans and advances to firms/companies in which directors are interested:

The Company has not provided any Loans and Advances to firms or Companies in which Directors are interested.

Non mandatory requirements

Besides the mandatory requirements as mentioned in preceding pages, the status of compliance with non-mandatory requirements of Reg. 27(1) of SEBI (LODR) Regulations, 2015 read with Part E of Schedule-II are produced below:

1. **The Board:** The Company is headed by an Executive Chairman.
2. **Shareholder Rights:** The quarterly Financial Results of the Company are published in leading newspapers and also posted on company's website (www.rcfltd.com). These results are not separately circulated to the shareholder.
3. **Audit Qualification / Modified Opinions in audit report:** It is always Company's endeavor to present an unqualified financial statement.
4. **Separate posts of Chairman and CEO:** Article of Association 81(1)(a) of the company provides that same person can be appointed as Chairman and CEO of the company. Hence, GoI had appointed one person as C&MD of the company.
5. **Reporting of Internal Auditor:** Internal Audit reports directly to Chief Executive Officer of the Company. The external/internal auditor appointed by the company submit their report to concerned HoD at places where they are conducting audit. These reports are reviewed by the Audit Committee.

Compliance certificate regarding compliance of conditions of corporate governance

As required by Schedule V of the SEBI (LODR), the compliance certificate regarding compliance of conditions of Corporate Governance issued by a Practising Company Secretary is annexed.

Trading in your Company's shares by Directors and designated Employees

None of the Directors holds shares in your Company except Ms Nazhat J. Shaikh, Director (Finance) holds 100 equity shares in the Company.

Guidelines on Corporate Governance by DPE

Your Company is complying with the all the requirements of the DPE Guidelines on Corporate Governance except in respect of composition of the Board of Directors with regard to 50% independent Directors including woman Independent Director, Constitution of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee & Risk Management Committee. Your Company, being a Government Company, is pursuing with the Government of India to induct requisite number of Independent Directors.

No items of expenditure have been debited in books of accounts, which are not for the purpose of business. No expenses, which are of personal nature, have been incurred for the Board of Directors and top management.

Further, the administrative and office expense constitute 0.47 % of total expense for financial year 2024-25 as against 0.43 % in the previous year 2023-24.

Compliance Officer

Shri J. B. Sharma, Executive Director (Legal & Company Secretary), is the Compliance Officer of the Company.

Prevention of Insider Trading

The Company has adopted a Code of Conduct for prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary of the company is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

Disclosures with respect to demat suspense account/ unclaimed suspense account

No Shares are lying in the Demat suspense account/ unclaimed suspense account of RCF.

Disclosure of certain types of agreements binding the Company (Clause 5A of Paragraph A of Part A of Schedule III of SEBI (LODR)

There are no agreements impacting management or control of the Company or imposing any restriction or create any liability upon the Company.

CEO/ CFO CERTIFICATION
FOR THE FINANCIAL YEAR ENDING ON MARCH 31, 2025

This is to certify that:

B. We have reviewed financial statements for the financial year ended March 31, 2025 and the cash flow statement for the year and that to the best of our knowledge and belief :

   1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

C. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

D. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

E. We have indicated to the auditors and the Audit Committee:

   1. There has not been any significant change in internal control over financial reporting during the year 2024-25;

   2. There has not been any significant change in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and

   3. There have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
Nazhat J. Shaikh
Director [Finance] & CFO

Sd/-
S. C. Mudgerikar
Chairman & Managing Director

Place: Mumbai
Date: May 27, 2025

DIRECTOR'S PROFILE

Shri S. C. Mudgerikar, Chairman & Managing Director

Shri S.C. Mudgerikar has taken over charge of Chairman & Managing Director of Rashtriya Chemicals & Fertilizers Ltd. (RCF) w.e.f. 01.10.2019.

Shri Mudgerikar has remained an Indian Railway Traffic Service (IRTS) Officer. He is a Post Graduate Engineer with a Post Graduate Management qualification from IIM Bangalore. He has wide experience in Logistics & Supply Chain Management and has worked in the Indian Railways in various capacities as an IRTS Officer. Before joining RCF, he has worked as Director (Marketing & Corporate Planning) of Central Warehousing Corporation. He has also served the Director on the Boards of CONCOR Air Ltd., National Multi Commodity Exchange, IFFCO-CRWC JV, Maharashtra SWC and West Bengal SWC. He has also worked as Chief Commercial Manager (FS), CPRO, Sr. Divisional Commercial Manager in the Indian Railways & Chief General Manager of CONCOR.

He has received extensive training in the field of Management at some of the world's best Institutes like IIM Bangalore, IIM Kolkata, INSEAD/ Singapore, ICLIF/ Malaysia, Syracuse University USA Antwerp Port Training Centre, China-Europe Management School. He has in-depth knowledge about the supply-chain logistics & is also involved in policy making for further development of the field.

Ms Nazhat J. Shaikh, Director (Finance)

Ms Nazhat J. Shaikh has been appointed as Director (Finance) with effect from 1st Dec. 2021.

She holds a Bachelor's degree in Commerce from Mumbai University and is a qualified Chartered Accountant. She is a certified SAP FI Consultant. She started her career with RCF in the year 1989 as Accounts Officer. She was selected as Director (Finance) in National Film Development Corporation, a CPSE under the administrative Ministry of Information & Broadcasting and joined on 24th November 2015, after taking lien from Rashtriya Chemicals & Fertilizers Ltd. She re-joined RCF as Executive Director Finance on 1st August, 2019.

She was entrusted with various responsibilities relating to Finance in Trombay, Fertilizer Marketing & Corporate during her service period in RCF. She was also given charge of IT responsibilities during the crucial period of SAP ERP implementation/upgrade. She has been a member of Women's Cell and Complaints Committee for prevention of Sexual Harassment and during the tenure also served as Chairperson of the Committee briefly. She was facilitator for conduct of Gender audit in RCF.

As ED (Finance), she was responsible for the entire finance, accounting, taxation and related reporting and compliances, treasury function and financial concurrence of all proposals. She has a rich experience of more than 29 years in the fertilizer industry.

At NFDC, she was holding additional charge of the responsibilities of Managing Director of NFDC for a brief period. Being one of the two Functional Directors, she got an exposure to the non-finance areas including media & production business, film festivals and promotion in addition to HR, legal & administrative functions.

She was awarded Best Woman Employee Award in Executive Category (3rd place) instituted by Forum of Woman in Public Sector (under the aegis of SCOPE) in February 2014 and the CFO100 Next Award 2013 instituted by the CFO institute.

Ms Ritu Goswami, Director (Technical)

Ms Ritu Goswami has been appointed as Director (Technical) with effect from January 17,2024.

Ms Ritu Goswami is a Chemical Engineer having more than 35 years of hands on experience in varied aspects of the fertilizer industry. She has an acumen for leadership oriented management with key areas of expertise in conceptualization of projects, project feasibility, selection of technology, project cost estimates, projects coordination, business strategies, contract management, process engineering, optimizing input costs for product manufacturing via negotiations with leading suppliers, production planning and performance monitoring of mega fertilizer plants.

She has actively represented the urea industry and taken up issues related to major raw material i.e. natural gas and policy matters with stake holders including regulatory and government bodies.

While on deputation as fertilizer expert in HURL, she lead drafting of the techno-commercial scope on LSTK basis and obtaining statutory approvals for mega fertilizer projects at Gorakhpur, Sindri and Barauni.

She has attended advanced leadership programme organised by Indian institute of Public Administration, New Delhi and International Business School, Hague

Shri Niranjan S. Sonak, Director (Marketing)

Shri Niranjan S. Sonak has been appointed as Director (Marketing) with effect from 28th January, 2025.

Shri Niranjan Sonak is B. Tech (Chemical Engineering), Management degree PGDMM (Marketing), National Certification for Energy Managers (BEE). He worked as a Technical Member of Core Team at Corporate office and have Multi-disciplinary experience in Technical and Commercial of 34 years in RCF (17 Yrs at Thal and 17 Yrs at Trombay).

He has experience of 10 years in Industrial production division, 07 years in Commercial and Purchase department, 13 years in Urea Production, 04 years in Technical Audit, and also worked as Commissioning engineer at Shahajanpur Ammonia/Urea plant of OCFL (SHAM KRIBHCO).

Awarded with 2022-23 Corporate Excellence Award.

Ms Aneeta C Meshram, Government Nominee Director

Ms Aneeta C Meshram, IAS is Government Nominee Director on the Board of the Company w.e.f. 13th November, 2022.

Ms Meshram a 1996 batch of IAS officer and is presently Additional Secretary, Department of Fertilizers, Ministry of Chemicals and Fertilizers, New Delhi. She has held various positions in Government of Uttar Pradesh and Government of India. She has varied and rich experience in Government, in different positions, and has great managerial capabilities.

Ms Aparna S. Sharma, Government Nominee Director

Ms Aparna S. Sharma is appointed as Government Nominee Director on the Board of the Company w.e.f. February 18, 2025.

Ms Aparna S. Sharma, Additional Secretary, Department of Fertilizers, Ministry of Chemicals and Fertilizers, Govt. of India. She is a post graduate in English Literature from Delhi University and a 1990 batch CSS Officer. She has over 26 years of work experience in various Ministries of Government of India including Department of Higher Education, Health and Family Welfare, Personnel and Training. Finance and Urban Development. She has handled a range of subjects while handling portfolios of varied nature relating to intellectual property rights, infrastructure development, policy formulation, scheme implementation, drafting legislation and work of regulatory nature. She has written several articles and made presentations at national and international workshops as part of official duties.

Shri Gopinathan Nair Anilkumar, Independent Director

Shri Gopinathan Nair Anilkumar has been appointed as an Independent Director on the Board of the Company with effect from 9th May, 2025.

He is law graduate and rubber planter, processor and exporter since 1985. He obtained nation's largest quantity of natural rubber sheets awards exported to various countries recommended by Rubber Board, Government of India, he was awarded two times Nation's first largest exporter and two times awarded Second largest exporter year of 2009 to 2013. He was also Assessing Officer for Rubber Skill Development Council approved by Skill India Project. He served as an Independent Director on the Board of Rashtriya Chemicals and Fertilizers Limited from 27.12.2021 to 04.11.2024. He is also holding the post of Vice Chairman, Rubber Board, under Ministry of Commerce, Government of India.

Prof Anjula Murmu, Independent Director

Prof Anjula Murmu has been appointed as an Independent Director on the Board of the Company with effect from 9th May, 2025.

She is an academician and holds Doctorate in Arts from Sido Kanhu Murmu University, Dumka. Presently working as Assistant Professor in SP Mahila College, Dumka. She served as an Independent Director on the Board of The Fertilisers and Chemicals Travancore Limited from 18.04.2022, to 28.03.2025.

Shri Partha Sarathi Ghosh, Independent Director

Shri Partha Sarathi Ghosh has been appointed as an Independent Director on the Board of the Company with effect from 9th May, 2025.

He holds a bachelor's degree in commerce from North Bengal University. He has twenty one (21) years of experience in the Hotel business. Further, he is a member of Aurobinda Park Saraswati Shishu Mandir, an institution in the field of education. He served as an Independent Director on the Board of WAPCOS Limited from 23.02.2022 to 22.02.2025.

Ms Sipra Bajpai, Independent Director

Ms Sipra Bajpai has been appointed as an Independent Director on the Board of the Company with effect from 11th September, 2025.

Ms. Sipra Bajpai holds a Master's degree in Commerce and Bachelor degree in Law from FM University, Balasore, Odisha. Since 2019, she has been serving as the State Secretary of the Bharatiya Janata Party (BJP) in Odisha. In this role, she has contributed to strengthening the party's organizational structure, coordinating grassroots campaigns, and supporting public outreach initiatives. Actively engaged in both political and social causes, Ms. Bajpai continues to play an important role in promoting the party's vision and connecting with communities across the state

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and clause (10)(i) of Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Rashtriya Chemicals and Fertilizers Limited,
"Priyadarshini", Eastern Express Highway,
Sion, Mumbai - 400 022.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Rashtriya Chemicals and Fertilizers Limited** having Corporate Identity Number (CIN) : L24110MH1978GOI020185 and having Registered Office at "Priyadarshini", Eastern Express Highway, Sion, Mumbai - 400 022 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with clause 10(i) of Para C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN) status at the portal www.mca.gov.in] as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in the Company
1.	Mr. Shriniwas Chandrashekhar Mudgerikar	03498837	01.10.2019
2.	Ms. Nazhat Jehangir Shaikh	07348075	01.12.2021
3.	Ms. Ritu Goswami	10463372	17.01.2024
4.	Mr. Niranjan Suryabhan Sonak	10463372	28.01.2025
5.	Ms. Aneeta C Meshram	10926090	13.11.2022
6.	Ms. Aparna Sachin Sharma	09781436	18.02.2025

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Bhandari & Associates**
Company Secretaries
Unique Identification No.: P1981MH043700
Peer Review Certificate No.: 6157/2024

S. N. Bhandari
Partner
FCS No: 761; C P No.: 366
Mumbai : August 12, 2025
ICSI UDIN: F000761G000982995

CERTIFICATE OF COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To
The Members,
Rashtriya Chemicals and Fertilizers Limited

We have examined the compliance of conditions of Corporate Governance by **Rashtriya Chemicals and Fertilizers Limited** ('the Company'), having CIN L24110MH1978GOI020185 for the financial year ended March 31, 2025, as stipulated in Chapter IV of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['Listing Regulations'].

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in chapter IV of the Listing Regulations subject to the following:

1. The Company did not have atleast half of the Board as non-executive directors for the period from November 05, 2024 to March 31, 2025 as prescribed under Regulation 17(l)(a) of the Listing Regulations. Further, the Company did not have an Independent women director on its Board for the period from April 01, 2024 to March 31, 2025 as prescribed under the proviso of Regulation 17(l)(a) of the Listing Regulations.

2. The Company did not have requisite number of Independent Director on its Board for the period from April 01, 2024 to March 31, 2025 as prescribed under Regulation 17(1)(b) of the Listing Regulations.

3. The Company did not have six directors on its Board from November 05, 2024, to January 27, 2025, as required under Regulation 17(1)(c) of the Listing Regulations.

4. The Company did not have the requisite quorum present in the Board Meetings held on November 13, 2024, February 12, 2025, and March 17, 2025, as required under Regulation 17(2A) of the Listing Regulations.

5. The Company did not have requisite number of independent directors in Audit Committee for the period from April 01, 2024 to March 31, 2025, as required under Regulation 18(1)(b) of the Listing Regulations. Further, the Audit Committee of the listed entity did not have an Independent Director as the Chairperson for the period from November 05, 2024 to March 31,2025 as required under Regulation 18(1)(d) of the Listing Regulations.

6. The Company did not have the requisite quorum present in the Audit Committee meetings held from April 01, 2024 to March 31, 2025, as required under Regulation 18(2)(b) of the Listing Regulations.

7. The Company did not have all the members of Nomination and Remuneration Committee (NRC) as non-executive directors for the period from April 01, 2024 to March 31, 2025, as required under Regulation 19(1)(b) of the Listing Regulations. Further, the NRC did not have requisite number of independent directors for the period from April 01, 2024 to March 31, 2025, as required under Regulation 19(1)(c) of the Listing Regulations.

8. The Company did not have an Independent Director as the Chairperson of the NRC for the period from November 05, 2024, to March 31, 2025, as required under Regulation 19(2) of the Listing Regulations.

9. The Company did not have the requisite quorum present in NRC meetings held on February 12, 2025, and March 17, 2025, as required under Regulation 19(2A) of the Listing Regulations.

10. The Company did not have non-executive director as the Chairperson of the Stakeholders Relationship Committee (SRC) for the period from November 05, 2024, to March 31, 2025, as required under Regulation 20(2) of the Listing Regulations. Further, the Company did not have Independent Director as member of SRC for the aforesaid period as required under Regulation 20(2A) of the Listing Regulations.

11. The Company did not have Independent Director as a member of Risk Management Committee for the period from November 05, 2024, to March 31,2025, as required under Regulation 21(2) of the Listing Regulations.

12. The Company did not hold meeting of Independent Directors for the period from April 01, 2024 to March 31, 2025 as required under Regulation 25(3) of the Listing Regulations. Consequently, the performance of the Board has not been evaluated by Independent Directors as required under Regulation 25(4) Listing Regulations.

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

For **Bhandari & Associates**
Company Secretaries
Unique Identification No.: P1981MH043700
Peer Review Certificate No.: 6157/2024

S. N. Bhandari
Partner
FCS No: 761; C P No.: 366
Mumbai : August 12, 2025
ICSI UDIN: F000761G000982951

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of **RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year ended **March 31, 2025** and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025 and its profit and total Comprehensive Income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to the following matters:

a) **Note No. 46 – Property, Plant and Equipment: Title deeds of Immovable properties:**

In respect of immovable properties other than land, i.e. building and other structures situated at its Trombay and Thal units, the Company has self-constructed properties on the land owned by the Company as evidenced by property cards/title deeds of land.

b) **Note No. 48 – Gas pooling applicable to Fertilizer (Urea) sector:**

The matter relating to differential claimed by GAIL on account of non-recognition of EPMC gas for the period 2021-22 in the gas pool account and the Spot gas sourced as per DOF directives during 2022-23 and the substitution of the same with cheaper market price gas specifically contracted by the Company for non-urea operations has been represented to DOF and is yet to be settled.

The Company is of the view that EPMC gas / Spot gas is specifically meant for urea operations and thus needs to be subsumed in arriving at the final pool price and the same should be considered in the subsidy of urea, since the cost of gas is a pass through.

As the non-recognition of such EPMC Gas / Spot gas sourced as per DoF's directives for Urea Operations is not in accordance with the principles of gas pooling mechanism, the Company has continued to recognize such differential i.e. (EPMC / Spot gas price – Cheaper market gas price) amounting to Rs 80.57 crore cumulatively till March 2025 (Rs NIL for the quarter) which has been shown as receivable from DoF.

Further, Company has disputed the demand of Rs 52.18 crore raised by GAIL towards pool price differential as against receivable of Rs 71.39 crore for FY 22-23 which has been arrived at on account of non-recognition of EPMC gas/Spot gas in Urea by FICC by substituting EPMC gas/Spot gas with cheaper RLNG gas sourced for non-urea operations. The total disputed amount for the year 2022-23 stands at Rs 123.57 crore. Based on Company's representation DoF has directed GAIL to keep the demand under abeyance and the said matter is under examination by DoF. Total exposure is about to Rs.204.14 crore.

c) **Note No. 50 - Price adversity and Upward/Downward Revision in CFR prices on Imported Phosphatic and Potassic (P&K) fertilizers**

Directives have been given to Fertilizer CPSE's by Department of Fertilizers (DOF) vide letter No F.21-01/2023-FM dated 21st September, 2023 and to the Company vide letter No. F.21-01/2023-FM dated 8th February, 2024 to ensure availability of Phosphatic and Potassic (P&K) fertilizers in Rabi 2023-24 and undertake such procurement on priority with the assurance that the price adversity if any on such procurements beyond applicable NBS Subsidy rates will be addressed by DOF to protect at No profit No loss basis. Further, DOF vide File Number

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21-01/2023-FM-Part(1) dated 29th May 2024 have also allowed consideration of price adversity beyond applicable NBS rates to ensure No Profit No Loss for unsold inventory and sales yet to be acknowledged in POS by farmers as on 30th September, 2023. The Company has submitted its claim in respect of the above which is under process by DoF for actual sales effected. Accordingly during the nine months ended the Company has recognized such differential based on its estimates amounting to approximately Rs. 175.24 crore towards the same (Rs.Nil for current quarter) towards the price adversity.

Further, additional imports of DAP were also undertaken as per the directives of DOF with assurance vide letter no.21-01/2023-FM dated 12th June 2024 and letter no.21-2/2022-FM(PT) dated 20th August 2024 that the relevant issues will be suitably addressed. Subsequently, DoF vide letter no.23011/124/2024-P&K dated 23rd September 2024 announced an additional one-time package of Rs. 3500 PMT on DAP over and above the subsidy under NBS scheme for the period 1st April 2024 to 31st December 2024. Further, DoF vide letter no.23011/127/2024-P&K dated 1st October 2024 also notified that advantage/disadvantage on upward/downward trend in the CFR prices of shipments to DAP and other P & K fertilizers which arrive w.e.f 1st September 2024 to 31st March 2025 will be addressed vis-a-vis the benchmark rates considered under NBS. Accordingly during the year ended the Company has recognized such differential (i.e. over and above the benchmark price) based on its estimates amounting to Rs 113.60 crore on DAP imports undertaken during 1st September 2024 to 31st March 2025.

d) Note No. 66 – Exceptional Item:

The Company had sold 16,530 sq meters of Transferable Development Rights (TDR) during the year ended 31st March, 2024 and realized a gain of Rs. 25.28 Crores which had been reported as an exceptional item for the year ended 31st March 2024 (Rs Nil during the current year).

Our opinion is not modified in respect of the above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters identified in our audit are:

1. Revenue Recognition and measurement in respect of subsidy income.
2. Estimation of Provision & Contingent Liabilities.
3. Information Technology General Control.

Sr. No.	Key Audit matter	Response to Key Audit Matter
1.	**Revenue recognition and measurement in respect to subsidy income.** Recognition of subsidy is generally made on the basis of in principle recognition/approval /settlement of claims from Government of India/Fertilizer Industry Co-ordination Committee while finalizing the standalone Ind AS financial statements. During the year, Subsidy adjusted on account of the escalations/de-escalations basis for the year amounts to Rs. 247.88 Crore refundable to FICC/DOF (PY Rs. 409.39 Crore refundable). Such adjustments have been done for escalations/de-escalations in the cost of inputs and other costs, as estimated by the management based on the prescribed norms in line with known policy parameters. MRP of Urea being fixed by Government of India, the Company is entitled for subsidy wherein certain inputs costs are a pass through and compensation for production beyond a level of production known as Reassessed capacity is restricted to lower of Import Parity Price (IPP) of Urea plus other incidental charges which the government incurs on imported Urea, or its own concession price, as determined under extant	**Our Procedure included:** **Accounting policies and principles:** We have reviewed the Company's accounting policies for Subsidy on Urea as mentioned under "Note A. Statement of Material Accounting policies III) B) Revenue Recognition" of the standalone Ind AS financial statements and the same is compared with the applicable Ind AS. **Tests of controls:** We have evaluated the design, implementation and operating effectiveness of key controls over recognition of subsidy income. **Tests of details:** We have verified the supporting documentation for determining that the subsidy was recognized in the correct accounting period and as per notified rates. In absence of notified rates, we have verified calculation of estimated rates based on information available with the Company for such costs which are a pass through.

INDEPENDENT AUDITOR'S REPORT

Sr. No.	Key Audit matter	Response to Key Audit Matter
	policies for Urea. Further subsidy income is net of adjustments of recoveries towards sale/transfer for surplus ammonia or non-conversion of entire ammonia into Urea. Since there is a time lag between actual expenditure incurred and notification of concession rates for the year, Management exercises significant judgement in arriving at the income entitlement on account of same for the year. Therefore, there is a risk of revenue being misstated on account of errors in estimation of concession/IPP rates yet to be notified, due to absence of notification available and change in methodology/ calculation, if any for arriving at price concession.	In case estimation of income is based on other parameters like IPP of Urea etc. The verification of the same is based on available information in public domain. Testing reasonability of assumptions based on past trends, consistency in application and changes in the same owing to change in Government policies. **Performing substantive analytical procedures: -** Ascertainment and analysis of variations with respect of amounts estimated and actually entitled upon notification with respect to previous years. We also assessed as to whether the disclosures in respect of revenue were adequate.
2	**Estimation of Provision & Contingent Liabilities** In the recognition and measurement of provisions, there is uncertainty about the timing or amount of the future expenditure required to settle the liability. In respect of contingent liabilities, there are estimates and assumptions made to determine the amount to be disclosed. As at the year ended 31 March 2025, the amounts involved are significant. There is a high degree of judgement required for the recognition and measurement of provisions and disclosure of contingent liabilities. There is a risk of material misstatement that the estimates are incorrect and that the provisions or contingent liabilities are materially misstated.	**Internal enquiry:** We enquired of the senior management and inspected the minutes of the board and various committees of the board where relevant, for claims arising and challenged whether provisions are required. **Tests of details:** In respect of significant claims, we checked the amount of claim, nature of issues involved, management submissions and corroborated the same with external evidence, where available. **Enquiry and confirmation of lawyers:** In respect of matters which are under dispute, we have assessed opinion of the Company's in-house Legal Department / external lawyers wherever necessary.
3	**Information Technology Controls** A significant part of the Company's financial reporting process is heavily reliant on IT systems with automated processes and controls over the capture, storage and extraction of information. A fundamental component of these processes and controls is ensuring appropriate user access and change management protocols exist and being adhered to. These protocols are important because they ensure that access and changes to IT systems and related data are made and authorised in an appropriate manner. As our audit sought to place a high level of reliance on IT systems and application controls related to financial reporting, high proportion of the overall audit effort was in Information Technology (IT) Systems and Controls. We focused our audit on those IT systems and controls that are significant to the Company's financial reporting process.	We focused our audit on those IT systems and controls that are significant to the Company's financial reporting process. We assessed the design and tested the operating effectiveness of the Company's IT controls including those over user access and change management as well as data reliability. In a limited number of cases, we adjusted our planned audit approach as follows: - We extended our testing to identify whether there had been unauthorized or inappropriate access or changes made to critical IT systems and related data; - Where automated procedures were supported by systems with identified deficiencies, we extended our procedures to identify and test alternative controls; and - Where required, we performed a greater level of testing to validate the integrity and reliability of associated data and reporting. Further, We have relied on provisional observations of independent consultant's past reports and the Company's replies to the observations raised by the consultants.

INDEPENDENT AUDITOR'S REPORT

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the standalone Ind AS financial statements and our auditor's report thereon. The Company's Annual report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management and Board of Directors' Responsibilities for the Standalone Ind AS Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, the financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to the standalone Ind AS financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone

INDEPENDENT AUDITOR'S REPORT

Ind AS Financial Statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Ind AS Financial Statements, including the disclosures and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone Ind AS financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143 (5) of the Act, we give in "**Annexure B**" the directions and sub-directions issued by the Comptroller and Auditors General of India (CAG), the action taken thereon and its impact on the accounts and the standalone Ind AS financial statements of the Company.

3. Non - Compliance of the SEBI Listing Obligation and Disclosure Requirements (LODR) Regulations, 2015 - as per Regulation 17(1)(b), the Chairman being an Executive Director, at least half of the Board of Directors should be comprised of Independent Directors including one Women Independent Director. Currently, the Company does not have required number of Independent Directors on its board. (Refer Note 42.1.3 to the standalone Ind AS Financial Statements)

4. (A) As required by section 143(3) of the Act, we report that:

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

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

   c) The Standalone Balance sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flow dealt with by this report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

   e) The Company being a government company, the provision of section 164(2) is not applicable in accordance with the Notification No. GSR 463 (E) dated June 5, 2015 issued by Ministry of Corporate Affairs. Accordingly, no reporting regarding Clause 3(g) of section 143 is required.

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

(B) In accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

INDEPENDENT AUDITOR'S REPORT

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements – **Refer Note 42** to the Standalone Ind AS financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There is no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under clause (iv) (a) and (iv) (b) contain any material mis-statement.

v. The dividend declared or paid during the year by the Company is in compliance with section 123 of the Act.

(C) With respect to the other matters to be included in the Auditor's Report as per section 197 (16) of the Act:

In accordance with requirements of section 197 (16) of the act as amended: As per notification number G.S.R. 463 (E) dated June 5, 2015 issued by Ministry of Corporate Affairs, Section 197 of the Act as regards the managerial remuneration is not applicable to the Company, since it is a Government Company.

(D) Based on our examination which included test checks, the Company has used an SAP HANA software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of audit we did not come across any instance of audit trail feature being tampered with. [Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.]

For K. Gopal Rao & Co
Chartered Accountants
FRN : 000956S

Gopal Krishna Raju
Partner
M. No.: 205929
UDIN: 25205929BMLDMO8242

For Parakh & Co.
Chartered Accountants
FRN : 001475C

Shalabh Jain
Partner
M. No.: 441015
UDIN: 25441015BMOGES9505

Place: Mumbai
Date: 27th May, 2025

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Para 1 'Report on Other Legal & Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the Standalone Ind AS Financial Statements for the year ended March 31, 2025.)

Statement on Matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2020:

(i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment with original cost and depreciation written off in respect of identifiable units of assets and where such information for identifiable units of assets is not available, the records show the cost and depreciation written off in respect thereof as a group or class. The items of assets in respect of which quantitative details are not linked with the cost or book value are of small value acquired prior to April 1978 and are fully depreciated particularly in respect of movable items acquired from Fertilizers Corporation of India Limited.

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

(b) The Company has a regular program for physical verification of its Property, Plant and Equipment by which its Property, Plant and Equipment are verified in a phased manner by the management and the Company's internal auditors. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its Property, Plant and Equipment. No material discrepancies were noticed on such verification.

(c) Based on our examination of the registered sale deed / transfer deed / conveyance deed / property tax paid documents (which evidences title) provided to us and with reference to Note 48 to the standalone Ind AS Financial Statements, we report that, the title in respect of self – constructed buildings and title deeds of all other immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the standalone Ind AS financial statements included in property, plant and equipment are held in the name of the Company as at the balance sheet date, except:-

Sr. No.	Total No. of Cases	Type of assets	Gross Block as at March 31,2025 (Rs. Crore)	Held in Name of	Whether promoter, director or their relative or employee	Period held	Remarks
1	2	Free Hold Land –Thal (1,824,903 Sq. Mtr. of land)	1.60	Government of India (incl. Central Railways) and private land owners	NO	47 Years	The Company is in the process of obtaining transfer of the title deeds.
2	1	Free Hold Land -Trombay (375,826 Sq. Mtr. of land)	0.24	The Fertilizer Corporation of India	NO	47 Years	The Company is in the process of obtaining transfer of the title deeds.
3	1	Building – Thal Kihim Township	3.09	Not applicable	NO	41 Years	The Company is in the process of obtaining evidence of title / permissions / approvals.

(d) The Company has not revalued any of its property, Plant and Equipment (including of right- of-use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at 31st March 2025 for holding any benami property under the Benami Transaction (Prohibition) Act, 1988, as amended and rules made thereunder.

(ii) (a) Th ephysical verification of inventory (excluding stocks outside the factory premises) has been conducted at reasonable intervals by the Management with the help of independent

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

outside agency (Internal auditors and technical consultants) during the year and, in our opinion, the coverage and procedures of such verification by Management is appropriate.

In respect of inventory lying outside the factory premises are taken as per warehousing certificates for material stored in godowns and third-party confirmations where material is lying with third party (job-worker, agents etc.) respectively.

In respect of inventories of stores and spares, the management conducts physical verification with help of an independent outside agency in a phased program so as to complete the verification of all items over a period.

The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) The Company has been sanctioned working capital limits in excess of Rs.5 crores, in aggregate, at any point of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns (FFR -I and QRR-I) and other stipulated financial information filed by the Company with such banks are in agreement with the unaudited books of account of the Company for the first three quarters and with the audited books of account in respect of fourth quarter ending 31st March 2025 and there are no material discrepancies.

(iii) The Company has investments in companies and Joint Venture entities. The Company has not provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year.

(a) The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year and hence reporting under clauses (iii)(a), (c), (d), (e) and (f) of the order are not applicable.

(b) In our opinion, the investments in companies/ joint venture entities, financial guarantee given to FACT-RCF Building Products Limited, and loans given to FACT Limited (a joint venture partner) in prior years are, prima facie, not prejudicial to the Company's interest.

(iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it, as applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Rules framed there under to the extent notified.

(vi) We have broadly reviewed the books of account and records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148 (1) of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

(vii) (a) The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Customs Duty, Duty of Excise, Value Added Tax, Goods and Service Tax, Cess and any other material statutory dues with the appropriate authorities. There are no arrears of outstanding statutory dues in respect of above as on the last day of the financial year for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and the records examined by us, there are no material dues of Income tax, Sales tax, Service tax, Duty of customs, Duty of excise, Value added tax outstanding on account of any dispute, except for the following:

Sr. No.	Name of the Statute	Nature of dues	Amount (Rs. in Crore)	Period to which the amount relates	Forum where dispute is pending
1	Customs Act, 1962	Demand of Differential Customs Duty on import of Urea, MOP & DAP (Marketing)	80.77	FY 2009-10	Assistant Commissioner of Customs, Dharamtar, Alibaug
2	Customs Act, 1962	Demand of Differential customs duty on import of Ground Rock Phosphate (Trombay)	0.23	FY 2018-19 & 2019-20	Commissioner of Custom Appeal-Mumbai
3	Income Tax Act, 1961	Demand of Tax for Short Deduction / non deduction of TDS	1.27	AY 2008-09 to AY 2025-26	Commissioner of Income Tax (Appeals)

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Sr. No.	Name of the Statute	Nature of dues	Amount (Rs. in Crore)	Period to which the amount relates	Forum where dispute is pending
4	Income Tax Act, 1961	Disallowance and Incorrect Adjustments	0.19	AY 2020-21	Commissioner of Income Tax (Appeals)
5	Income Tax Act, 1961	Erroneous/Incorrect adjustments	2.14	AY 2021-22	Commissioner of Income Tax (Appeals)
6	Central Excise Act, 1944	Demand of Central Excise duty, Interest & Penalty in respect of Naphtha procured at concessional rates used for products which are not exempted (Thal Unit)	2.67	FY 1996-2001	Supreme Court
			18.61	Period from November 1996 to February 2005 (Interest)	Supreme Court
			17.89	Period from July 2007 to August 2009	Commissioner of Central Excise and Service Tax, Mumbai
		Demand of excise duty on account of Diversion of Urea for industrial usages (Thal Unit)	8.91	FY 2013	Central Excise and Service Tax Appellate Tribunal, Ahmedabad
		Availment of Service Tax Cenvat Credit on Common Input Services(Thal Unit)	19.32	FY 2011-2017	Central Excise and Service Tax Appellate Tribunal, Mumbai
7	Central Excise Act, 1944	Demand of Central Excise duty in respect of Low Sulphur High Stock / Furnace Oil procured at concessional rates used for other than fertilizer products (Trombay Unit)	6.97	FY 1998-2000	Asstt .Commissioner of Central Excise and Service Tax
		Rapid Wall Plaster cleared with Nil Rate of duty (Trombay Unit)	4.95	July 2010 to March 2016	Central Excise and Service tax Appellate Tribunal Mumbai
		Withheld of subsidy on account of Diversion of Urea for industrial usages (Trombay Unit)	1.49	FY 2013	Central Excise and Service Tax Appellate Tribunal, Ahmedabad
8	Central Excise Act, 1944	Demand for wrong availment of cenvat credit MBPT(Trombay Unit)	0.16	FY 2010-2015	Asstt .Commissioner of Central Excise and Service Tax
9	Central Excise Act, 1944	Wrong availment of MODVAT(Trombay Unit)	0.63	May 2000 to Sept 2000	Dy Commissioner of Central Excise and Service Tax
10	Central Excise Act, 1944	Demand of Service Tax on wrong availment of CENVAT credit in respect of input services used in the manufacture of exempted goods (Trombay Unit)	2.32	April 2011 to June 2017	Central Excise & Service Tax Appellate Tribunal, Mumbai
11	Service Tax	Demand of Service Tax on supply of Btal wagons (IPD Dept.)	0.27	Period from April 2008 to December 2012	Central Excise & Service Tax Appellate Tribunal, Mumbai
12	Service Tax	Demand of Service Tax on Dispatch Money (Mktg.Dept.)	0.24	FY 2012-2015	Asst. Commissioner of CGST & C.X.Division-1, Mumbai

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Sr. No.	Name of the Statute	Nature of dues	Amount (Rs. in Crore)	Period to which the amount relates	Forum where dispute is pending
13	Service Tax	Demand of Service Tax on wrong availment and distribution of CENVAT (Corporate Dept.)	0.02	FY 2016-2017	Central Excise & Service Tax Appellate Tribunal, Mumbai
14	Service Tax	Demand of Service Tax on wrong availment and distribution of CENVAT (Corporate Dept.)	0.41	Period from April 2014 to March 2016	Central Excise & Service Tax Appellate Tribunal, Mumbai
15	Service Tax	Demand of Service Tax on Handling Charges	0.01	Period from April 2006 to March-2008	Superintendent Service Tax, Aurangabad
16	Service Tax	Demand of Service Tax on supply of wagon to Central Railway (Thal Unit)	3.62	Period from April 2008 to June 2017	Central Excise & Serivce Appellate Tribunal, Mumbai
17	Service Tax	Non-payment of service Tax on Routine Maintenance Charges of private railway Siding (Thal Unit)	1.93	Period from March 2012 to August 2015	Central Excise & Serivce Appellate Tribunal, Mumbai
18	Service Tax	Demand of Service Tax on Sponsorship (Marketing Unit)	0.43	Period from September 2012 to March-2015	Central Excise & Serivce Appellate Tribunal, Mumbai
19	Service Tax	Demand on Dispatch Money (Corporate Unit)	0.54	Period from September 2012 to March-2015	Central Excise & Serivce Appellate Tribunal, Mumbai
20	Service Tax	Demand of Service Tax on Sponsorship (Corporate Unit)	1.07	Period from September 2012 to March-2015	Central Excise & Serivce Appellate Tribunal, Mumbai
21	Service Tax	Demand on LD (Trombay Unit)	3.60	Period from September 2012 to March-2015	Customs Excise & Service Tax Appellate Tribunal, Mumbai
22	Service Tax	Demand on Despatch Money (Trombay Unit)	2.92	Period from September 2012 to March-2015	Customs Excise & Service Tax Appellate Tribunal, Mumbai
23	Service Tax	Service Tax on CS Deputation Manpower	0.10	2008-2014	Asst. Commissioner of Central Excise & Service Tax.
24	Service Tax	Service Tax on LD and other Misc. Recoveries (Thal Unit)	0.78	2012-14	Central Excise & Serivce Appellate Tribunal, Mumbai
25	GST	Demand of GST for ITC Availment	0.03	April 2017 to March-2020	Assistant Commissioner of State Tax, (Suryaraopet: Vijaywada II, Andhra Pradesh)
26	GST	Demand of GST for ITC Availment	1.24	2018-19	Assistant Commissioner Dgsto-5 Bangaluru-Karnataka

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone Ind AS financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone Ind AS financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its Joint Ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its Joint Ventures.

x) (a) The Company has not raised any moneys by way of Initial public offer or further Public offer (Including debt instruments), during the year and hence reporting under Clause (x) (a) of Para 3 of the order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of share or fully convertible debentures (fully, partially or optionally convertible) during the year and accordingly provisions of clause (x)(b) of Para 3 of the Order are not applicable to the Company.

(xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the year except that we have been informed about two instances of fraudulent presentation of cheques issued out of the cheque leaves which was found missing, aggregating to Rs. 0.99 Crore. The Company had immediately initiated action for stop payment of such cheques and such cheques were not encashed. Company has filed a complaint/FIR with the police and matter is under investigation. Further Company has initiated action with reference to blocking of all missing cheque leaves with the bank and has issued a public notice with respect to such missing cheques in renowned newspaper on all India basis.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.

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

(xii) The Company is not a Nidhi Company and accordingly provisions of clause (xii) of Para 3 of the order are not applicable to the Company.

(xiii) The Company has complied with sections 177 and 188 of the Act w.r.t. transactions with related parties, wherever applicable. Details of the transactions with the related parties have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable Indian Accounting Standards.

(xiv) (a) Based on information and explanation provided to us and our audit procedure, in our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) The Company has not entered into any non-cash transactions with the directors or persons connected with him. Hence the provisions of Section 192 of the Act are not applicable.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, hence the provisions of paragraph 3 (xvi)(a) of the Order are not applicable.

(b) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) (b) of the order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the Regulations made by the Reserve Bank of India and accordingly the provisions of clause (xvi)(c) of Para 3 of the Order is not applicable to the Company.

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(d) According to the information and explanation provided to us during the course of audit, the group does not have any CIC as a part of the group and accordingly reporting under clause (xvi)(d) of Para 3 of the Order is not applicable to the Company..

(xvii) The Company has not incurred cash losses during the Financial Year covered by our audit and in the immediately preceding Financial Year

(xviii) There has been no resignation of the statutory auditors of the Company during the year. Accordingly, clause 3(viii) of the order is not applicable.

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

(xx) The Company has during the year spent the amount of Corporate Social Responsibility as required under subsection (5) of Section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone Ind AS financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For K. Gopal Rao & Co
Chartered Accountants
FRN : 000956S

Gopal Krishna Raju
Partner
M. No.: 205929
UDIN: 25205929BMLDMO8242

For Parakh & Co.
Chartered Accountants
FRN : 001475C

Shalabh Jain
Partner
M. No.: 441015
UDIN: 25441015BMOGES9505

Place: Mumbai
Date: 27th May, 2025

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 2 'Report on Other Legal & Regulatory Requirements' in our Independent Auditor's Report to the members of the company on the Standalone Ind AS Financial Statements for the year ended March 31, 2025.)

Report on the Directions and Sub-directions issued by the Comptroller and Auditors General of India, the action taken thereon and its impact on the accounts and the standalone Ind AS financial statement of the Company under Section 143(5) of the Act:

A. DIRECTIONS

1. **Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.**

   Reply: Yes.

   Most of the important functional areas of the organization like Financial Accounting, Sales Accounting, Human Resources Information, Payroll, Material/Inventory Management etc. have been computerized. The Company has implemented SAP during 2005-06 in order to make information processing fully integrated and centralized. Following modules have been implemented in SAP ERP wherein transactions are processed in an integrated manner.

   - Finance & Costing (FI-CO)
   - Asset Management (AM)
   - Production Planning (PP)
   - Plant Maintenance (PM)
   - Materials Management (MM)
   - Sales & Distribution (SD)
   - Cost Object & Profitability Analysis (CO-PA)
   - Business Warehouse (BW)
   - Environment Health & Safety (EHS)
   - Township Management
   - HR & Pay Roll (HCM- Implemented during the year 2006-07)

   In 2010, along with an upgrade of the existing SAP business applications, following new solutions were also implemented:

   - SAP Enterprise Portal (Employee Self Service/ Manager Self Service)
   - Governance, Risk and Compliance

   In 2020-21, Company has upgraded to SAP HANA system.

   Attendance recording system is another subsidiary system specifically developed to meet the requirements of the Company for recording attendance of unionized category employees of the Company. The attendance data from this system is directly uploaded in SAP for payroll processing.

   The IT system has been also configured to meet the compliance and business requirements as mandated by applicability of Ind AS and Goods and Services Act.

   Thus, the IT system enables integrated processing of most of the accounting transactions. However certain accounting transactions relating to subsidy income, recording of transactions relating to borrowings, payment of interest etc., corporate taxes, valuation of finished goods inventory as per principles of Ind AS and certain year end provisions are processed directly in the Finance module of the SAP IT system as these transactions are standalone to finance. Such transactions and balances are adequately supported by relevant documents maintained / calculations maintained in Excel workbooks. A maker-checker protocol is also followed to check the calculations and the effect of the entries are posted in SAP system.

   Further based on the information processed in SAP system, such data is extracted for preparation and presentation of the standalone Ind AS financial statements as per Schedule III of Companies Act. Proper checks and controls are exercised so that the information presented is in consonance with the base data extracted from the SAP system.

2. **Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/ interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a government company, then this direction is also applicable for the statutory auditor of lender company)**

   Reply: No.

   Based on audit procedure performed by us and as per the information and explanation given to us, there has been no instance of restructuring of an existing loan or cases of waiver/ write-off of debts/ loans/ interest etc./ made by a lender to the Company due to the Company's inability to repay the loan.

   Further loan given by the Company is not restructured during the year. The Company is in receipt of principal and interest regularly.

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

3. **Whether funds (grants/subsidy etc.) received/ receivable for specific schemes from Central/State Government or its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.**

   Reply: N.A.

   As per information and explanations given to us, Company has not received any funds for specific schemes from Central/State agencies during the year.

B. SUB-DIRECTIONS

i. **State the impact of revision of subsidies for fertilizers products in valuation of fertilizers product closing stock.**

   Reply: Yes

   As per explanation and information given to us, the summary of impact is stated as follows:

   As per the Company's accounting policy, finished goods inventories are valued at lower of Cost and Net Realizable Value (NRV). In respect of Urea and other fertilizers which are subsidized/ are sold at prices lower than cost, subsidy being a component of revenue is included while arriving at the net realizable value.

   While arriving at the net realizable for valuation of stock, the lowest selling prices and the applicable subsidy realizable on such stocks is considered. Accordingly, such revisions are factored while arriving at the Net realization of fertilizer stocks.

   In case of Urea, the realizations of Urea are different as per extant policies for production upto reassessed capacity (RAC) and beyond reassessed capacity (BRAC). While the realization from the market is constant, the applicable rate of subsidy differs for stock quantities which are from production upto RAC and for production beyond RAC. Further, such realizations are adjusted for escalations/de-escalations in cost of inputs on estimated basis in accordance with known policy parameters.

   In respect of P&K fertilizers, Government of India periodically notifies subsidy rates under Nutrient Based Subsidy scheme from time to time and also any additional compensation over and above the notified subsidy rates, if any to ensure that such fertilizers are made available to farmers at affordable prices.

As on 31st March 2025, closing stock of fertilizers are valued as under:-

Product	Quantity (in MT) (A)	Cost Per MT (B)	NRV Per MT (C)	Rate of subsidy per MT considered in NRV (D)	Stock valuation Rate (B) or (C) whichever is lower (E)	Total Closing Stock Valuation (A) * (E) Rs. Crore (F)
MOP-Marketing Godowns	5,933.50	26,158.73	31,555.20	1,428.00	26,158.73	15.52
20.20.0.13-Bulk	32,985.45	33,944.87	38,058.93	17,663.00	33,944.87	111.97
20.20.0.13-In Transit	35,000.00	34,874.42	34,874.42	17,663.00	34,874.42	122.06
10.26.26-Bulk	34,331.04	39,779.01	45,007.53	16,257.00	39,779.01	136.57
10.26.26-Marketing Godowns	1,300.25	42,584.39	47,812.90	16,257.00	42,584.39	5.54
Thal Urea- BRAC- SILO	6,614.20	35,063.20	30,969.63	26,588.09	30,969.63	20.48
Thal Urea- BRAC- Bagged in factory	10.70	35,981.21	31,864.63	26,957.81	31,864.63	0.03
Thal Urea- RAC- Marketing Godowns	21,082.92	38,058.35	38,850.92	33,558.26	38,058.35	80.24
Thal Urea - BRAC Marketing Godowns	742.08	38,058.35	33,913.56	28,621.56	33,913.56	2.52
Trombay Urea- RAC- SILO	2,829.66	41,114.66	38,443.91	33,494.18	38,443.91	10.88
Trombay Urea- RAC- Bagged in factory	1,705.26	42,007.88	39,336.73	34,387.00	39,336.73	6.71

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

Product	Quantity (in MT) (A)	Cost Per MT (B)	NRV Per MT (C)	Rate of subsidy per MT considered in NRV (D)	Stock valuation Rate (B) or (C) whichever is lower (E)	Total Closing Stock Valuation (A) * (E) Rs. Crore (F)
Trombay Urea- RAC-Marketing Godowns	2,136.78	43,974.27	41,301.70	36,351.97	41,301.70	8.83
Suphala - SILO	1,460.70	33,353.54	39,233.78	12,427.28	33,353.54	4.87
Suphala - S Bagged	1,570.50	34,279.02	40,156.50	13,350.00	34,279.02	5.38
Suphala - Bagged Marketing Godowns	24,412.30	36,526.95	42,182.96	15,376.46	36,526.95	89.17
Sulphur coated Urea - Silo	321.72	48,555.24	35,459.85	29,837.05	35,459.85	1.14
Sulphur coated Urea - Bagged	93.58	49,146.72	36,479.80	30,857.00	36,479.80	0.34
Sulphur coated Urea - MKTG	608.36	50,855.17	38,202.82	32,580.02	38,202.82	2.32

As the finished goods are valued at lower of cost and Net realizable value, revision in subsidies impact the financial statements only for such stocks which are valued at Net realizable value.

Considering the prices of NPK nutrients, Government of India, notified revised rates of subsidy as applicable from 1st April 2025, under Nutrient Based Subsidy scheme for P&K fertilizers on 28th March 2025 and the same along with additional compensation, if any has been considered for arriving at Net realizable value for Inventory valuation.

The Compliance/Action taken by management on last year's management letter is as follows:

Sr. No.	Para	Compliance/ Action Taken
1	Revenue from operation included an additional incentive of Rs.50 per MT for acknowledging receipt and reporting the stock in iFMS which was not being passed on to the retailer by RCF. Clarification regarding nonpayment of incentive of Rs.50 per month to the retailers perpetually on account of adjustment of expenditure on POS machine needs to be obtained from the Ministry to ensure correct booking of revenue from operation.	The Company has replied that accounting is in order and further the matter was already taken with DOF in FY 2022-23. However as directed by CAG, once again matter is being taken up with Department of Fertilizers (DoF) to seek clarification on this matter. However, clarification is still awaited from the DOF
2	RCFL should make necessary disclosure in the notes to accounts related to non-receipt of specific exemption from Government for payment of lower dividend in accordance with DIPAM guidelines and consequent possible liability of the Company to pay dividend to Government for the year 2023-24.	The Company has complied with the audit observation by making suitable disclosure.
3	The Company needs to specify the nature of other payables in its accounts in accordance with the requirement of Schedule III to the Companies Act 2013.	The Company has complied with the audit observation by making suitable disclosure.
4	OM No.10212/20/2007-FPP dated 07.01.2015 stipulated charging of 5% of the existing MRP of Urea i.e. Rs.5360 per MT by the Urea manufacturers for Neem coating. However, RCF contended that MRP for urea was subsequently fixed at 242 per 45 kg bag. Due to ambiguity in the interpretation of charging of 5 % of MRP as per OM dated 4.09.2017 read with OM dated 7.1.2015, clarification was sought by RCF from Ministry which is awaited. The matter needs to be followed up with Ministry to clear the ambiguity in interpretation of OM dated 04.09.2017 for ensuring correct booking of revenue from operation.	The Company has replied that accounting is in order and further the matter was already taken with DOF in FY 2022-23. However as directed by CAG, once again matter is being taken up with Department of Fertilizers (DoF) to seek clarification on this matter. However, clarification is still awaited from the DOF.

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

Sr. No.	Para	Compliance/ Action Taken
5	Statement of changes in Equity is not as per the prescribed format of Schedule III	The Company has complied with the audit observation .

For K. Gopal Rao & Co
Chartered Accountants
FRN : 000956S

Gopal Krishna Raju
Partner
M. No.: 205929
UDIN: 25205929BMLDMO8242

For Parakh & Co.
Chartered Accountants
FRN : 001475C

Shalabh Jain
Partner
M. No.: 441015
UDIN: 25441015BMOGES9505

Place: Mumbai
Date: 27th May, 2025

ANNEXURE "C" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 4(f) of the section 'Report on Other Legal & Regulatory Requirements' in our Independent Auditor's Report to the members of the company on the Standalone Ind AS Financial Statements for the year ended March 31, 2025.)

Report On The Internal Financial Controls Under Clause (I) Of Sub-Section 3 Of Section 143 Of The Companies Act, 2013 ("The Act")

We have audited the internal financial controls with reference to the Standalone Ind AS Financial Statements of **RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED** ("the Company") as of March 31, 2025 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone Ind AS Financial Statement based on our audit. We conducted our audit in accordance with the 'Guidance Note' and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Standalone Ind AS financial statement was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the Standalone Ind AS Financial Statement and their operating effectiveness.

Our audit of internal financial controls with reference to the Standalone Ind AS Financial Statement included obtaining an understanding of internal financial controls with reference to the Standalone Ind AS Financial Statement, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to the Standalone Ind AS Financial Statement.

Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial controls with reference to the Standalone Ind AS Financial Statement is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to the Standalone Ind AS Financial Statement include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the Standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls With reference to the Standalone Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to the Standalone Ind AS Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Standalone Ind AS Financial Statements to future periods are subject to the risk that the internal financial controls with reference to

ANNEXURE "C" TO THE INDEPENDENT AUDITOR'S REPORT

the Standalone Ind AS Financial Statements may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the standalone Ind AS financial statements and such internal financial controls were operating effectively as at March 31, 2025, based on the internal control with reference to the standalone

Ind AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India.

For K. Gopal Rao & Co
Chartered Accountants
FRN : 000956S

Gopal Krishna Raju
Partner
M. No.: 205929
UDIN: 25205929BMLDMO8242

For Parakh & Co.
Chartered Accountants
FRN : 001475C

Shalabh Jain
Partner
M. No.: 441015
UDIN: 25441015BMOGES9505

Place: Mumbai
Date: 27th May, 2025

COMMENTS OF THE COMPTROLLER AND AUDITOR GNERAL OF INDIA UNDER SECTION 143(6)(B) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE STANDALONE FINANCIAL STATEMENTS OF RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED FOR THE YEAR ENDED 31 MARCH 2025

The preparation of the Standalone financial statements of **Rashtriya Chemicals and Fertilizers Limited** for the year ended 31 March 2025 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 27th May 2025.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **Rashtriya Chemicals and Fertilizers Limited** for the year ended 31 March, 2025 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comments upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on the behalf of the
Comptroller & Auditor General of India

Place: New Delhi
Date: 17.09.2025

(Kavita Prasad)
Director General of Audit, Central Expenditure
(Agriculture, Food & Water Resources)

BALANCE SHEET AS AT 31ST MARCH 2025

₹ Crore

Particulars	Note No.	As at 31.03.2025	As at 31.03.2024
ASSETS			
1. NON CURRENT ASSETS			
(a) Property, Plant and Equipment	1	2891.55	2540.38
(b) Capital Work in Progress	1.4	579.17	431.25
(c) Right of Use Assets	2	9.09	12.14
(d) Investment Property	3	4.21	5.37
(e) Intangible Assets	4	0.57	0.03
(f) Financial Assets			
(i) Investments	5	1104.96	1002.17
(ii) Trade Receivables	6	-	-
(iii) Loans	7	-	-
(iv) Others	8	-	-
(g) Other Non-Current Assets	9	451.16	418.45
		5040.71	**4409.79**
2. CURRENT ASSETS			
(a) Inventories	10	1585.59	2582.24
(b) Financial Assets			
(i) Trade Receivables	11	3100.67	3549.67
(ii) Cash and Cash Equivalents	12	987.03	156.49
(iii) Bank Balances other than (ii) above	13	48.71	196.45
(iv) Loans	14	-	5.11
(v) Others	15	164.39	266.40
(c) Other Current Assets	16	349.37	300.23
		6235.76	**7056.59**
TOTAL ASSETS		**11276.47**	**11466.38**
EQUITY AND LIABILITIES			
A. EQUITY			
(a) Equity Share Capital	17	551.69	551.69
(b) Other Equity	18	4203.48	4064.71
		4755.17	**4616.40**
B. LIABILITIES			
1. NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	19	923.28	940.39
(ii) Lease Liabilities	20	6.24	8.05
(iii) Other Financial Liabilities	21	46.54	42.77
(b) Provisions	22	225.32	209.24
(c) Deferred Tax Liabilities(Net)	23	295.46	305.73
(d) Other Non-Current Liabilities	24	20.23	23.73
		1517.07	**1529.91**

BALANCE SHEET AS AT 31ST MARCH 2025

₹ Crore

Particulars	Note No.	As at 31.03.2025	As at 31.03.2024
2. CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	25	1828.64	2342.86
(ii) Lease Liabilities	26	4.05	5.34
(iii) Trade Payables	27		
(A) Total Outstanding Dues of Micro Enterprises and Small Enterprises.		88.42	55.46
(B) Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises.		2128.10	1880.13
(iv) Other Financial Liabilities	28	659.65	616.85
(b) Other Current Liabilities	24	101.90	264.50
(c) Provisions	29	188.46	154.93
(d) Current Tax Liabilities (Net)	30	5.01	-
		5004.23	**5320.07**
TOTAL EQUITY AND LIABILITIES		**11276.47**	**11466.38**
Statement of Material Accounting Policies	A		
Notes forming part of Financial Statements	1 - 94		

For and on behalf of the Board of Directors
RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED

(S. C. Mudgerikar)
Chairman & Managing Director
DIN : 03498837

(Nazhat Shaikh)
Director (Finance)
DIN : 07348075

(J. B. Sharma)
Company Secretary
Membership No: FCS5030

Dated : 27th May, 2025.
Place: Mumbai

As per our report of even date attached

For K. GOPAL RAO & CO.
Chartered Accountants
Firm Regn. No. 000956S

(Gopal Krishna Raju)
Partner
Membership No: 205929

For PARAKH & CO.
Chartered Accountants
Firm Regn. No. 001475C

(Shalabh Jain)
Partner
Membership No: 441015

Dated : 27th May, 2025.
Place: Mumbai

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2025

₹ Crore

Particulars		Note No.	Year ended 31.03.2025	Year ended 31.03.2024
I.	Revenue from Operations	31	16933.64	16981.31
II.	Other Income	32	164.82	165.43
III.	**Total Income (I+II)**		**17098.46**	**17146.74**
IV.	**Expenses:**			
	Cost of Materials Consumed	33	5821.61	6348.50
	Purchases of Stock in Trade	34	3712.58	4311.12
	Changes in Inventories of Finished Goods and Stock in Trade	35	749.03	(526.44)
	Employee Benefits Expense	36	597.92	542.78
	Finance Costs	37	253.68	183.64
	Depreciation and Amortization Expense / Impairment	38	262.76	233.10
	Other Expenses	39	5377.75	5790.73
	Total Expenses		**16775.33**	**16883.43**
V.	**Profit Before Exceptional Items (III-IV)**		**323.13**	**263.31**
VI.	Exceptional Items	40	(4.37)	(40.32)
VII.	**Profit Before Tax (V-VI)**		**327.50**	**303.63**
VIII.	**Tax Expense**	68		
	(1) Current Tax		99.00	38.78
	(2) Deferred Tax		(10.71)	63.18
	(3) Taxation Adjustment of Earlier Years Excess(-)/Short(+)		(2.42)	(26.07)
IX.	**Profit/ (loss) for the Period (VII-VIII)**		**241.63**	**227.74**
X.	**Other Comprehensive Income**	41		
	(i) Items that will not be reclassified to profit or loss			
	Remeasurements of Defined Benefit Plans		(46.65)	(24.45)
	Fair Value Equity Instruments		1.75	22.48
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	Income Tax on Remeasurement of Defined Benefit Plans		10.89	2.08
	Deferred Tax on Fair Value Equity Instruments		(0.44)	(5.65)
	Other Comprehensive Income for the Year (X)		**(34.45)**	**(5.54)**
XI.	**Total Comprehensive Income for the Year (IX+X)**		**207.18**	**222.20**
XII.	Earnings Per Equity Share	59		
	(i) Basic Earnings Per Share (₹)		4.38	4.13
	(ii) Diluted Earnings Per Share (₹)		4.38	4.13
	Statement of Material Accounting Policies	A		
	Notes forming part of Financial Statements	1-94		

For and on behalf of the Board of Directors

RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED

(S. C. Mudgerikar)
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(J. B. Sharma)
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Membership No: FCS5030

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(Gopal Krishna Raju)
Partner
Membership No: 205929

For PARAKH & CO.
Chartered Accountants
Firm Regn. No. 001475C

(Shalabh Jain)
Partner
Membership No: 441015

Dated : 27th May, 2025.
Place: Mumbai

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2025

A. EQUITY SHARE CAPITAL

₹ Crore

Balance as at 01.04.2024	Changes in equity share capital during the year	Balance as at 31.03.2025	Balance as at 01.04.2023	Changes in equity share capital during the year	Balance as at 31.03.2024
551.69	-	551.69	551.69	-	551.69

B. OTHER EQUITY

FOR THE YEAR ENDED 31st March 2025

₹ Crore

	Reserves and Surplus		Items of Other Comprehensive Income	Total
	General Reserve (Refer Note 18)	Retained Earnings (Refer Note 18)	Equity Instruments through Other Comprehensive Income (Refer Note 18)	
Balance as at 01.04.2024	**3975.11**	**-**	**89.60**	**4064.71**
Changes in accounting policy/prior period errors	-	-	-	-
Restated balance at the beginning of the reporting period	**3975.11**	-	**89.60**	4064.71
Profit for the year	-	241.63	-	241.63
Other Comprehensive Income (Net of Tax)	-	(35.76)	1.31	(34.45)
Total Comprehensive Income for the year	**-**	**205.87**	**1.31**	**207.18**
Dividend paid Refer note no. 18A	-	(68.41)	-	(68.41)
Transfer to General Reserve	137.46	(137.46)	-	-
Balance as at 31.03.2025*	**4112.57**	**-**	**90.91**	**4203.48**

FOR THE YEAR ENDED 31ST MARCH 2024

₹ Crore

	Reserves and Surplus		Items of Other Comprehensive Income	Total
	General Reserve (Refer Note 18)	Retained Earnings (Refer Note 18)	Equity Instruments through Other Comprehensive Income (Refer Note 18)	
Balance as at 01.04.2023	**3973.86**	**-**	**72.77**	**4046.63**
Changes in accounting policy/prior period errors	-	-	-	-
Restated balance at the beginning of the reporting period	**3973.86**	-	**72.77**	4046.63
Profit for the year	-	227.74	-	227.74
Other Comprehensive Income (Net of Tax)	-	(22.37)	16.83	(5.54)
Total Comprehensive Income for the year	**-**	**205.37**	**16.83**	**222.20**
Dividend paid Refer note no. 18A	-	(204.12)	-	(204.12)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2025

	Reserves and Surplus		Items of Other Comprehensive Income	Total
	General Reserve (Refer Note 18)	Retained Earnings (Refer Note 18)	Equity Instruments through Other Comprehensive Income (Refer Note 18)	
Transfer from General Reserve	1.25	(1.25)	-	-
Balance as at 31.03.2024*	**3975.11**	**-**	**89.60**	**4064.71**

* The closing balance in General Reserve is arrived after adjustment of Remeasurement of Defined Benefit Plans amounting to ₹ 35.76 crore (P.Y. ₹ 22.37 crore) during the year net of current tax amounting to ₹ 10.89 crore (P.Y. ₹ 2.08 crore)

Nature and purpose of reserves

a. **General Reserve:** General reserve represents appropriation of profits. This represents a free reserve and is available for dividend distributions. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to the statement of profit and loss.

b. **Retained Earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

c. **Equity Instruments through Other Comprehensive Income Reserve:** This reserve represents the cumulative gains and losses arising on the revaluation of equity and debt instruments on the balance sheet date measured at fair value through other comprehensive income. The reserves accumulated will be reclassified to retained earnings and profit and loss respectively, when such instruments are disposed.

For and on behalf of the Board of Directors

RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED

(S. C. Mudgerikar)
Chairman & Managing Director
DIN : 03498837

(Nazhat Shaikh)
Director (Finance)
DIN : 07348075

(J. B. Sharma)
Company Secretary
Membership No: FCS5030

Dated : 27th May, 2025.
Place: Mumbai

As per our report of even date attached

For K. GOPAL RAO & CO.
Chartered Accountants
Firm Regn. No. 000956S

(Gopal Krishna Raju)
Partner
Membership No: 205929

For PARAKH & CO.
Chartered Accountants
Firm Regn. No. 001475C

(Shalabh Jain)
Partner
Membership No: 441015

Dated : 27th May, 2025.
Place: Mumbai

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2025

₹ Crore

Particulars		Year ended 31.03.2025		Year ended 31.03.2024	
A	**Cash Flow From Operating Activities**				
	Net Profit Before Tax		327.50		303.63
	Adjustments for :				
	Exceptional Items - (Income)/ Expenses	(4.37)		(40.32)	
	Depreciation/Amortisation/Loss on Impairment of Assets	263.53		233.93	
	(Profit) / Loss on Sale of Property, Plant and Equipment / Intangible Assets	0.64		1.38	
	Interest Income	(42.19)		(43.04)	
	Dividend Income	(0.50)		(0.47)	
	Rental Income Derived from Investment Properties	(39.69)		(38.35)	
	(Gain) / Loss on Sale of Current Investments	(6.86)		(9.64)	
	Interest and Finance Charges	253.68		183.64	
	Provision for Bad/Doubtful Debts	0.03		2.40	
	Provision for Obsolescence Stores	(0.41)		0.52	
	Provision Written Back	(9.98)		(10.41)	
	Unrealised Foreign Exchange (Gain) /Loss	13.13		3.32	
			427.01		**282.96**
	Operating Profit Before Working Capital Changes		**754.51**		**586.59**
	Adjustments for :				
	Trade Receivables and Other Assets	551.70		(1147.43)	
	Inventories	1005.03		10.87	
	Trade Payables and Other Liabilities	115.58		197.70	
			1672.31		(938.86)
	Cash Generated / (Used) from Operations		2426.82		(352.27)
	Direct Taxes Paid (Net of Refunds)		(63.00)		(70.00)
	Net Cash Generated / (Used) from Operating Activities ------ A		**2363.82**		**(422.27)**
B	**Cash Flow from Investing Activities**				
	Additions to Property, Plant and Equipment / Intangible Assets (Net of Trade Credit)	(827.34)		(482.34)	
	Sale of Property, Plant and Equipment / Intangible Assets	1.95		1.42	
	Purchase of Current Investments	(5484.73)		(5285.74)	
	Investments in Joint Ventures	(96.67)		-	
	Sale of Current Investments	5491.59		5295.38	
	Sale of Transferable Development Rights	-		63.02	
	Inter Corporate Advances / Repayments	5.10		5.10	
	Interest Received	41.62		42.80	
	Dividend Received	0.50		0.47	
	Rental Income Derived from Investment Properties	39.69		38.35	
	Margin Money Deposits Matured / (Placed) with Banks	147.74		(142.91)	
			(680.55)		**(464.45)**
	Net Cash Generated / (Used) from Investing Activities ----- B		**(680.55)**		**(464.45)**

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2025

₹ Crore

Particulars	Year ended 31.03.2025		Year ended 31.03.2024	
C Cash Flow from Financing Activities				
Net Proceeds /Repayment of Working Capital Facilities and Short Term Loans	(693.25)		1159.92	
Proceeds from Term loans / Non Convertible Debentures	600.00		444.38	
Repayments of Term loans/Non Convertible Debentures	(446.59)		(183.70)	
Interest Paid	(237.95)		(178.35)	
Dividend Paid	(68.41)		(203.81)	
Repayment of Lease liabilities	(6.53)		(6.53)	
		(852.73)		**1031.91**
Net Cash Generated / (Used) from Financing Activities ----- C		**(852.73)**		**1031.91**
Net Increase/Decrease(-) in Cash and Cash Equivalent (A+B+C)		830.54		145.19
Cash and Cash Equivalents as at 1st April (Opening Balance)		156.49		11.30
Cash and Cash Equivalents as at 31st March (Closing Balance)		987.03		156.49
Components of Cash and Cash Equivalents				
Cash on Hand		-		-
Balance With Scheduled Banks				
in Current Accounts		237.03		156.49
in Term Deposits with Less Than 3 Months Maturity		750.00		-
		987.03		**156.49**

Note:

1. The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows and presents cash flows by operating, investing and financing activities.
2. Refer note no. 74 for movement in financial liability.
3. Refer note no. 67 for amount spent during the years ended March 31, 2025 and 2024 on constructions / acquisition of any asset and other purpose relating to CSR Activities.
4. Figures of the previous year have been regrouped / rearranged wherever necessary to make it comparable to the current year presentation.
5. The cash credit facilities availed from bank are part of financing activity which do not form part of cash and cash equivalents for Cash Flow Statement purpose.

For and on behalf of the Board of Directors

RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED

(S. C. Mudgerikar)
Chairman & Managing Director
DIN : 03498837

(Nazhat Shaikh)
Director (Finance)
DIN : 07348075

(J. B. Sharma)
Company Secretary
Membership No: FCS5030

Dated : 27th May, 2025.
Place: Mumbai

As per our report of even date attached

For K. GOPAL RAO & CO.
Chartered Accountants
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(Gopal Krishna Raju)
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For PARAKH & CO.
Chartered Accountants
Firm Regn. No. 001475C

(Shalabh Jain)
Partner
Membership No: 441015

Dated : 27th May, 2025.
Place: Mumbai

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

I) Corporate information

The Company is a public company domiciled in India and is incorporated under provisions of the Companies Act applicable in India. Its shares are listed on two recognized stock exchanges in India. The registered office of the Company is located at Priyadarshini, Eastern Express Highway, Sion Mumbai 400022.

The Company is engaged in the manufacturing and marketing of fertilizers and industrial chemicals.

The standalone financial statements are approved for issue by the Company's Board of Directors on May 27th, 2025.

II) Basis of preparation

a. The standalone financial statements of the Company have been prepared in accordance with accounting standards prescribed under Section 133 of the Companies Act 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act. The Company has consistently applied accounting policies to all periods.

b. The standalone financial statements have been prepared under the historical cost and on accrual basis, except for the following: -

- Certain financial assets and liabilities (including Derivative financial instruments) measured at fair value. (Refer to Material accounting policies at item no "M")
- Certain provisions recognized using actuarial valuation techniques. (Refer to Material accounting policies at item no "P")
- Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. (Refer to Other Significant policies at item no "H")
- Transferable Development Rights (TDRs) received upon surrender of rights on open land which are measured at fair value.(Refer to Material accounting policies at item no "M")

c. The standalone financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest crores (₹ 00,00,000), except when otherwise indicated.

d. The Company changes the presentation or classification of items in its Financial Statements upon being material and further reclassifies comparative amounts, unless impracticable. No such material reclassification has been made during the year.

e. Significant accounting judgements, estimates and assumptions

1.1 The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities as at the Balance Sheet date.

1.2 Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Any revisions to the accounting estimates are recognized prospectively when revised, in current and future periods.

Some of the significant judgements and assumptions exercised are given as under:-

1.2.1 Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) model. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. The key

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

assumptions used to determine the recoverable amount for the different Cash Generating Units (CGUs), including a sensitivity analysis, are disclosed separately.

1.2.2 Taxes

The Company's tax jurisdiction is in India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

1.2.3 Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of government bonds in India.

The mortality rate is based on publicly available mortality tables as defined by LIC. Future salary increases is based on Company's assessment based on past trends.

1.2.4 Subsidy Income

As per extant policies covering subsidy of Urea, major inputs like cost of energy, water etc. are a pass through in the same. Since the notified rates of subsidy of urea incorporating actual revision takes time, recognition of subsidy is generally made on the basis of in principle recognition/approval /settlement of claims from Government of India/Fertilizer Industry Co-ordination Committee while finalising the financial statements. As per management estimates, there is reasonable certainty based on Government of India policies and past experience that claims will be notified in due course.

1.2.5 Provisions for Obsolescence

Provisions towards obsolete/surplus inventory are recognized as per management estimates under the assumption that they may fetch 5% of their book value upon disposal.

1.2.6 Fair value measurements of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Changes in assumptions could affect the reported value of fair value of financial instruments.

1.2.7 Application of Discount rates

Estimates of rates of discounting are done for measurement of fair values of certain financial assets and liabilities, which are based on prevalent bank interest rates and the same are subject to change.

1.2.8 Estimates of Useful lives of Assets/Components

Company has identified significant components of plant and machinery and provides for depreciation over their useful lives as per its technical assessment.

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

1.2.9 Operating Lease

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 the fulfilment of the arrangement is depend 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.

Lease arrangements in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases.

The company has applied Ind AS 116 –Leases for ascertainment of the same.

1.2.10 Interest Income from Department of Fertilizer towards import of Urea

Interest income includes interest as estimated by the Company towards delayed settlement of dues by Government of India, as per terms of MoU entered for carrying out import of Urea on behalf of Government of India.

III) Material accounting policies

A) Fair Value Measurement

The Company measures financial instruments, such as, derivatives, investments in equity instruments, Transfer Development Rights etc. at fair value at each balance sheet date.

Fair value is the price that would be received upon sell of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between the levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

External valuers are involved for valuation of significant assets, such as properties, unquoted financial assets etc. Involvement of independent external valuers is decided upon annually by the Company. Further such valuation is done annually at the end of the financial year and the impact if any on account of such fair valuation is taken in the annual financial statements.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

B) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made/received.

Revenue is recognized upon transfer of control of promised products and services to customers in an amount that reflects the consideration expected to be received in exchange for those products or services.

Revenue, including subsidy, in respect of sale of goods is recognized when control of the goods has transferred, being when the goods are delivered to the buyer, the buyer has full discretion over the goods and there is no unfulfilled obligation that could affect the buyer's acceptance of the goods.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts offered by the Company as part of the contract, goods and service tax and amounts collected on behalf of third parties. Any change in the estimated amount of obligation of discount is accounted in the period in which the change occurs.

Subsidy

Recognition of Subsidy is generally made on the basis of in principle recognition/ approval/ settlement of claims from Government of India /Fertilizer Industry Co-ordination Committee.

Concessions in respect of Urea as notified under the New Pricing Scheme is recognized with adjustments for escalation/de-escalation in the prices of inputs and other adjustments as estimated by the management in accordance with the known policy parameters in this regard as notified by Government of India.

Subsidy on P&K fertilizers is recognized based on applicable Concession rates and any additional compensation as notified by the Government of India under Nutrient Based Subsidy Scheme from time to time and settled during the year.

Subsidy on imported Urea is recognized based on lump sum compensation, and other charges receivable from the Government of India, as per terms of agreement.

Uniform freight subsidy on Urea, P&K fertilizers and Imported Urea has been accounted in accordance with the parameters and notified rates.

Subsidy on City Compost is recognized based on rates, as notified by the Government of India.

Subsidy income is recorded based on the quantity sold i.e. when control of goods has been transferred to the buyer during the financial year.

Other Operating revenue/other income are recognized on accrual basis.

Income from sale of Certified Emissions Reductions (CER's)/Voluntary Emissions Reductions (VER's)/ Renewable Energy Certificates (REC's) is recognized on delivery and confirmation of the same by the concerned authorities.

C) Taxation

Income tax expense for a financial year represents the sum of tax currently payable, adjustments for tax provisions of previous years and deferred tax.

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

a. Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax items are recognized in correlation to the underlying transaction either in Other Comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b. Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profits will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting period.

c. Current Tax and Deferred Tax

Current and Deferred tax are recognized in Statement of Profit and loss, except when they relate to items that are recognized in Other Comprehensive Income (OCI) or directly in equity, in which case, the current and deferred tax are also recognized in OCI or directly in equity respectively.

d. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate taxable entity and the same taxation authority.

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

D) Property, Plant and Equipment

All items of property, plant and equipment, including freehold land are initially recorded at cost, net of recoverable taxes and discounts.

The cost includes the cost of replacing part of the property, plant and equipment meeting the recognition criteria and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment up to the date of commissioning of the assets.

In accordance with Ind AS 16- Property, Plant and Equipment commissioning expenses directly attributable to project is recognized under Capital Work in Progress (CWIP).

Subsequent to initial recognition, property, plant and equipment other than freehold land are measured at cost less accumulated depreciation and any accumulated impairment losses. The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Spares costing (Unit value of ₹ 10 lacs and above), and other components which are required to be replaced at intervals, meeting the recognition criteria have been classified as Plant and Equipment and are depreciated separately based on their specific useful lives.

When a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in Statement of Profit and loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Catalysts which are used in commissioning of new projects/plants are capitalized and are amortized based on the estimated useful life of 1 to 9 years, as technically assessed. Subsequent issues of catalysts, if any, are treated as inventory.

Projects under which assets are not ready for their intended use are shown as Capital work in progress.

Freehold / Leasehold improvements are considered as property plant and equipment.

Depreciation

Depreciation is calculated on a Straight-line basis over the estimated useful lives of each item of property, plant and equipment as estimated by the management and charged to Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013.

Depreciation on additions/deletions to Gross Block is calculated on pro-rata basis from the date of such additions and up to the date of such deletions.

Depreciable amount is the cost of an asset, or other amount substituted for cost, less its residual value. A maximum residual value of 5% is considered for all assets, except for certain assets/asset classes wherein it is considered to be nil.

The estimate of useful life of the assets has been assessed based on technical evaluation which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc.

A major portion of the plant and equipment of the Company has been considered as continuous process plant.

The estimated useful life of items of property, plant and equipment is mentioned below:

S.no.	Assets	Useful Lives (In Years)
1	Plant and Equipments	1 to 25
2	Office Equipments	1 to 10
3	Furniture and Fixtures	1 to 10
4	Electrical Equipments	1 to 25

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

S.no.	Assets	Useful Lives (In Years)
5	Factory Building and Other Buildings	1 to 60
6	Vehicles	8
7	Information Technology Equipments	3 to 6
8	Other Miscellaneous Equipments	1 to 25

Freehold land has an unlimited useful life and therefore is not depreciated.

After recognition of impairment loss, the revised carrying amount less residual value of the impaired asset would be depreciated on systematic basis over the remaining useful life of the asset. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

Depreciation on each item of an asset costing less than ₹ 5,000 are depreciated at 100% in the year of capitalization.

The residual values and, useful life of property plant and equipment are reviewed at each financial year and adjusted prospectively, if any.

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of profit and loss in the year the asset is de-recognized.

Assets under construction/Capital Work in Progress included under Property, Plant and equipment are not depreciated as these assets are not yet available for use. However, they are tested for impairment if any.

E) Investment Properties

Investment properties are properties that are held to earn rentals and /or for capital appreciation (including property under construction for such purposes) and not occupied by the Company for its own use.

Investment properties are measured initially at cost, including transaction costs and net of recoverable taxes. The cost includes the cost of replacing parts and borrowing costs if recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation on Investment property, wherever applicable, is provided on straight line basis as per useful lives prescribed in Schedule II to Companies Act 2013.

Investment properties are derecognised either when they have been disposed of or when they are being occupied by the Company for its own use or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

F) Intangible Asset

a. Recognition and Measurement

Intangible assets acquired separately are measured on initial recognition at cost, net of recoverable taxes. The cost of intangible assets comprises its purchase price, and any cost directly attributable to bringing the asset to its working condition for the intended use. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

The Company has no intangible assets with infinite useful lives.

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

b. Amortization

Intangible assets (i.e. software applications) having finite useful lives are amortized over their respective individual estimated useful lives on a Straight-line basis, pro-rata from the date the asset is available to the Company for its use. Management estimates the useful life of software applications identified as intangible assets as three years. Any expenses incurred on intangible assets with finite useful lives up to ₹ 1 lakh in each case are being charged off in the year of incurrence.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

G) Impairment of Non-Financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from assets or group of assets (cash-generating units). If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account.

The Company bases its impairment calculation on detailed budgets and forecasts which are prepared for each of its CGU separately.

For all the assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the CGU's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the CGU does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the CGU's in prior years. Such reversal is recognized in the Statement of Profit and Loss.

Impairment losses of continuing operations, including impairment on inventories and right of use assets, are recognized in the Statement of profit and loss.

H) Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are accumulated and capitalized up to the date when such assets are ready for their intended use or sale, as part of the cost of the asset.

All other borrowing costs are expensed in the period in which they occur.

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

General Borrowings cost incurred in connection with qualifying assets are capitalized by applying the Capitalization rate on the quantum of such borrowings utilized for such assets.

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

I) Leases

The Company evaluates each contract or arrangement at inception, whether it qualifies as lease as defined under Ind AS 116- Leases. i.e., if the contract conveys the right to control the use of asset for a period of time in exchange for consideration.

The Company as a lessee

The Company assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves–

(a) the use of an identified asset,

(b) the right to obtain substantially all the economic benefits from use of the identified asset, and

(c) the right to direct the use of the identified asset.

The Company at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets.

Right of use assets

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

The Right to use assets are also subject to impairment as described in the polices with respect to the impairment of non-financial assets.

For lease liabilities at inception, the Company measures the lease liability at the present value of the lease payments to be made over the lease term. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in the statement of Profit and loss.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

Lease payments are classified in the Cash flow statement as cash flows relating to financing activities.

J) Inventories

a. Assessment of Inventory

Raw Materials, Intermediary Products, By-Products and Finished Products inside factory premises, in bulk form, are assessed by survey method on a date as close as possible to the Balance Sheet date and the shortages /excesses in the quantities as compared to book stocks are adjusted in the books. Finished goods and other inventory stored outside the factory premises are taken as per warehousing certificates and third- party confirmations respectively.

b. Mode of Valuation

Inventory is valued at lower of cost and net realizable value except in case of by-products, which are valued at, net realizable value. However, materials and other items held for use in the production of

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

finished goods are not written down below cost if the finished products in which they will be incorporated /consumed are expected to be sold at or above cost.

Gases and slurries, if any, in pipelines at different stages of process are not valued as the same is not practicable.

Certified Emission Reductions (Carbon credits), Renewable Energy Certificates (REC) and Energy Savings Certificates (E-certs) are valued at lower of cost and net realizable value.

Energy Savings Certificates (E-certs) purchased to meet the Renewable Purchase Obligation (RPO) through Power Exchanges are expensed out during the year.

c. Basis of Cost

The cost of manufactured finished goods, traded goods and intermediary products are arrived at based on weighted average cost. Bifurcation of cost of joint products is made on technical estimates.

Cost of raw materials, petroleum products, packing materials, stores and spares, and loose tools is determined on weighted average cost basis.

Provision is made in respect of raw materials, packing materials, stores and spares and petroleum products, wherever appropriate, based on technical estimates, to reflect the impact of obsolescence, damage or other diminution in value.

d. Measurement of Cost / Realizable Value

Cost of Purchases

Cost of purchase includes duties, taxes (net of those recoverable) freight and other expenses net of trade discounts, rebates and price adjustments.

Cost of Manufactured goods

Cost of Manufactured Goods comprises of direct cost, variable production overheads and fixed production overheads on absorption costing method. Catalysts issued are charged off over their estimated useful lives as technically assessed ranging from 1 to 9 years. Variable production overheads are allocated based on actual production. Variable overheads related to movement of finished products are allocated based on actual dispatches. Fixed overheads are allocated based on higher of the actual production level or normal production level on a consistent basis. Average handling and transportation costs incurred to bring the material in its present location and condition is included in valuing stocks in field warehouses and in transit.

Cost of Traded Fertilizers

It comprises of Cost of Purchases as defined under para (J) (d) plus bagging, handling and transportation costs incurred to bring the material in its present location and condition.

Net Realizable Value

Price of urea is administered by the Government of India by which selling price is fixed for the buyer. The net realizable value for manufactured urea is taken at the applicable price concession (selling price net of dealers' margin plus the applicable subsidy from Government of India) net of variable selling and distribution cost. Net realizable value of off-spec urea is taken at 40% of MRP excluding subsidy.

The net realizable value of phosphatic and potassic fertilizers is taken at the applicable selling prices expected to be realized, net of dealers' margin and variable selling and distribution costs, plus the concession as fixed/to be fixed by Government. Net realizable value of off-spec phosphatic and potassic fertilizers is taken at selling price net of dealers' margin and estimated cost of re-processing including transportation cost to factory. The net realizable value of off-spec traded phosphatic and potassic out fertilizers is at 30% of MRP excluding subsidy.

Average freight incurred on despatches from silo/factory/ port to godown and other products handling costs is reduced for arriving at the net realizable value in respect of stocks of fertilizers in silo/factory/ port.

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

The net realizable value of non-fertilizer products is taken at lowest selling prices net of variable selling and distribution costs , expected to be realized in future.

K) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When a provision is expected to be reimbursed, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as finance cost.

L) Contingencies

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises where a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognized but are disclosed where an inflow of economic benefits is probable. The estimation of financial effect in respect of contingent liabilities and contingent assets wherever not practicable, is not disclosed and such fact is accordingly stated.

M) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a. Financial Assets

Initial Recognition and Measurement

All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial assets. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent Measurement

Financial assets presently held by the Company are classified as under:-

- Debt instruments at amortized cost
- Debt instruments, TDRs and derivatives at Fair Value Through Profit or Loss (FVTPL)
- Equity instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI)

i. Debt Instruments at Amortized Cost

A 'debt instrument' is measured at the amortized cost if both of the following conditions are met:

(i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the statement of profit or loss. This category generally applies to trade and other receivables.

ii. Debt Instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit or loss.

iii. Equity Investments

All equity investments in scope of Ind AS 109 - Financial Instruments are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may decide to classify the same as at FVTOCI. The Company makes such election on an instrument-by-instrument basis upon on initial recognition and same is irrevocable.

Upon classification of equity instruments as at FVTOCI, all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investments. The Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit or loss.

Investments in Joint ventures, subsidiaries and associates are recognized at cost.

iv. Derivative Financial Instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest and foreign exchange rate risks, like foreign exchange forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognized at fair value on the date the derivative contracts are entered into and are subsequently re-measured to their fair value (Mark to Market) at the end of each reporting period. The resulting gain or loss is recognized in the Statement of profit and loss. Company does not designate any of its derivative instruments as hedge instruments. Derivatives are carried as financial assets when fair value is positive and as financial liabilities when the fair value is negative.

Transaction costs incurred for such derivative instruments are charged off to Statement of Profit and Loss on initial recognition.

Derecognition

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

of consideration that the Company could be required to repay.

Impairment of Financial Assets

In accordance with Ind AS109 – Financial Instruments, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

i. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

ii. Lease receivables

iii. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 – Revenue From Contracts with Customers.

iv. Financial guarantee contracts which are not measured as at FVTPL

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls) discounted at the original effective interest rate.

While estimating cash flows, Company considers all contractual terms of financial instrument over the expected life of the financial instrument including cash flows from the sale of collateral held that are integral to contractual terms.

In case of Trade receivables, the Company has used a practical expedient as permitted under Ind AS 109 – Financial Instruments. This expected credit loss allowance is computed based on a provision matrix which takes in account historical credit loss experience with adjustments for collaterals available and forward looking information, if required.

ECL allowance is not recognized on Subsidy receivables since they are due from Government of India and also on other receivables which are largely due from Government agencies, as the Company does not perceive any risk of default which would be material.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The Balance Sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, trade receivables and lease receivables.
- ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet.
- The allowance reduces the net carrying amount, until the asset meets write-off criteria.
- Trade receivables, other receivables, loans and advances are also fully provided for as doubtful upon review on case to case basis, to the extent of such loss considered as incurred.

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

b. Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition as loans and borrowings, payables, derivatives and financial liabilities at fair value through profit or loss. The Company's financial liability consists of trade and other payables, loans and borrowings, bank overdrafts, financial guarantee contracts and derivative financial instruments.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs, if any.

Subsequent Measurement

The subsequent measurement of financial liabilities of the Company depending on their classification is described below:-

i. Loans and Borrowings Including Bank Overdrafts

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

This category generally applies to interest-bearing loans and borrowings.

ii. Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder of the guarantee for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109- Financial Instruments and the amount recognized less cumulative amortization.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

N) Cash and cash equivalents

Cash and cash equivalents comprise of cash at banks and on hand and short-term deposits with a maturity of three months or less. For the purpose of the cash flow statement, cash and cash equivalents include cash on hand, in banks, demand deposits with banks and other short term highly liquid investments, net of outstanding overdrafts that are repayable on demand and are considered part of the Company's cash management system.

O) Government Grants

Government grants are not recognized until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognized in statement of profit and loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate and are presented within other income.

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognized in profit or loss in the period in which they become receivable.

Government grants relating to purchase of property, plant and equipment are included in Other non-current liabilities and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

In the event of such property, plant and equipment being disposed off before completion of its estimated useful life, the outstanding amount of such capital grant is fully credited to profit or loss in the year of its disposal.

P) Employee Benefits

a. Short Term Employee Benefits:

All employee benefits payable within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

b. Retirement Benefit Costs and Termination Benefits and Other Long Term Employee Benefits

Defined Contribution Schemes

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

Company's defined Contribution made to its Superannuation scheme is charged off to Statement of Profit and Loss on accrual basis.

Defined Benefit Plans

Provident Fund

Contribution to Provident Fund is accounted for on accrual basis as per actuarial valuation done on deterministic basis. The Provident Fund contributions are made to a Trust administered by the Company by both the employer as well as employee. The Trust invests in specific designated instruments as permitted by Indian Law. The interest rate payable to the members of the Trust is being administered by the Government. The Company has an obligation to make good the shortfall, if any between the return from the investments of the Trust and the notified interest rate. Further in the event there is a deficit, owing to the fair valuation of plan assets being lower than defined benefit obligation at the Balance Sheet date, Company has to fund the shortfall. Such shortfall including shortfall in the interest is recognized in the Statement of Profit and Loss.

Gratuity and Post-retirement Medical Benefits

For Defined Benefit plans comprising of gratuity, post-retirement medical benefits the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurements, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expenses or income; and
- Re-measurements

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

The Company presents the first two components of defined benefit costs in the Statement of profit and loss in the line item 'Employee Benefits Expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The cost of the defined benefit gratuity plan and other Post employment medical benefits and the present value of gratuity obligation are determined using actuarial valuation techniques.

Termination Benefits

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

Other Long term benefits

Liabilities recognized in respect of other long term benefits like leave encashment and long term service awards are measured at the present value of the estimated future cash outflows to be made by the Company (based on actuarial valuation) in respect of services provided by employees upto the reporting date.

IV) Other Accounting Policies:

A) Current versus non-current classification

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

An asset as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

The classification of an asset either current or non-current has been made applying the criteria of realization of such assets within a period of 12 months after the reporting date.

Where assets have been fully provided for as doubtful, the same are classified as non-current.

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 non-current.

B) Foreign Currencies

The standalone financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency.

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

a. Transactions and Balances

Foreign Currency transactions are accounted at the rates prevailing on the date of transaction. Year-end monetary assets and liabilities are translated at the exchange rate prevailing on the date of the Balance sheet.

Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and loss for the period in which they arise, except for the following:-

- Exchange differences on Long term foreign currency borrowings relating to assets under construction for future productive use (i.e. Capital Work in progress), are included in the cost of those assets when they are regarded as an adjustment on account of interest costs on those foreign currency borrowings.
- Non-monetary items that are measured in terms of historical cost in foreign currencies are reported using the exchange rates at the date of the transaction.

C) Interest Income

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability.

For interest due from customers, vendor's etc. interest income is recognized when no significant uncertainty as to its realization exists and is accounted on time proportion basis at contracted rates.

D) Dividends

Dividend income is recognized when the Company's right to receive the payment is established.

E) Commission Income

For certain arrangements, Company acts as an agent. The role of the Company either as an agent or a principal is determined based on evaluation of its role as a primary obligor, has the pricing latitude in the said arrangements, its exposure to inventory risks and credit risks, on case to case basis. Commission income is recognized as per the terms of agreement when such amounts become entitled.

F) Others

Insurance and other miscellaneous claims are recognized on receipt/acceptance of claim.

Income from sale of Certified Emissions Reductions (CER's)/Voluntary Emissions Reductions (VER's)/ Renewable Energy Certificates (REC's) is recognized on delivery and confirmation of the same by the concerned authorities.

G) 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 operating leases are recognised on straight line basis as per lease terms over the period of lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the lease asset and recognised over the lease term. Contingent rents are recognised as revenue in the period in which they are earned.

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.

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

H) Non – Current Assets Held for Sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

I) Segment Reporting

The Company has recognized the following operating segments, viz Fertilizers, Industrial Chemicals and Trading, the business activities it is primarily engaged into. The same has been done based on the review of the operating results, internal reporting, review of performance, decision making relating to future allocation of resources, policy parameters influencing business etc. carried out by its Chief Operating Decision Maker i.e. Executive Management Committee/Board of Directors.

J) Prepaid Expenses

Individual expenses up to ₹ 1,00,000 is not considered in classifying prepaid expenses.

K) Research and Developments expenses

Revenue expenditure on Research activity is recognized separately and charged to Statement of Profit and Loss. Expenditure on development activities is capitalized when its future economic benefits can reasonably be regarded as assured.

L) Earnings per Share (EPS)

Basic earnings per share is calculated by dividing net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Upon discontinuation of an operation the basic and diluted amount per share for the discontinued operation is separately reported, as applicable.

M) Cash Dividend

The Company recognizes a liability to make cash distributions to shareholders when the distribution is authorized and the same is no longer at the discretion of the Company. A corresponding amount is recognized directly in equity.

V) Exemptions applied

Ind AS101- First Time Adoption of Indian Accounting Standards, allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions.

Company has elected to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition measured as per Indian GAAP and use that as its deemed cost as at date of transition. The same is applicable even for Investment property, intangible assets and its investments in Joint venture, associates and subsidiaries.

Company has also reviewed the necessary adjustments required to be done in accordance with paragraph D21 this standard (i.e. adjustments arising on account of decommissioning or restoration liabilities) and has accordingly considered the impact of the same wherever applicable.

The Company has designated unquoted equity instruments held at 1 April 2015 as fair value through OCI.

VI) Recent Pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

NOTE NO. 1 PROPERTY, PLANT & EQUIPMENT

AS AT 31.03.2025

₹ Crore

Sr. No.	Description	DEEMED COST / COST				DEPRECIATION				IMPAIRMENT LOSS			NET BOOK VALUE	
		AS.AT 01.04.2024	Of Additions/ Adjustments *	Of Deductions/ Adjustments	AS.AT 31.03.2025	UPTO 01.04.2024	Provided during the year	On items Sold/ Discarded/ Adjusted	UPTO 31.03.2025	UPTO 01.04.2024	Provided during the year	UPTO 31.03.2025	AS.AT 31.03.2025	AS.AT 31.03.2024
a.	Land (Freehold)	10.74	-	-	**10.74**	-	-	-	-	-	-	-	**10.74**	10.74
b.	Buildings	315.10	86.11	0.25	**400.96**	79.81	15.69	(0.39)	**95.89**	5.27	-	**5.27**	**299.80**	230.02
c.	Plant & Machinery	3451.42	488.84	1.43	**3938.83**	1250.94	213.08	0.95	**1463.07**	15.58	5.31	**20.89**	**2454.87**	2184.90
d.	Furniture & Fixtures	18.57	3.05	0.02	**21.60**	10.39	1.49	0.06	**11.82**	-	-	-	**9.78**	8.18
e.	Vehicles	4.61	1.16	0.15	**5.62**	2.91	0.30	0.14	**3.07**	-	-	-	**2.55**	1.70
f.	Office Equipments	53.89	9.53	0.50	**62.92**	33.08	8.19	0.22	**41.05**	-	-	-	**21.87**	20.81
g.	Others													
i)	Roads & Culverts	25.29	8.28	-	**33.57**	16.11	2.51	(0.01)	**18.63**	-	-	-	**14.94**	9.18
ii)	Railway Sidings	29.88	0.33	-	**30.21**	10.62	1.77	-	**12.39**	-	-	-	**17.82**	19.26
iii)	Water System, Sewerage & Drainage	21.70	-	-	**21.70**	10.93	1.36	-	**12.29**	-	-	-	**9.41**	10.77
iv)	Miscellaneous Equipments	115.53	12.97	0.26	**128.24**	70.71	7.93	0.17	**78.47**	-	-	-	**49.77**	44.82
	TOTAL	**4046.73**	**610.27**	**2.61**	**4654.39**	**1485.50**	**252.32**	**1.14**	**1736.68**	**20.85**	**5.31**	**26.16**	**2891.55**	**2540.38**

AS AT 31.03.2024

₹ Crore

Sr. No.	Description	DEEMED COST / COST				DEPRECIATION				IMPAIRMENT LOSS			NET BOOK VALUE	
		AS.AT 01.04.2023	Of Additions/ Adjustments *	Of Deductions/ Adjustments	AS.AT 31.03.2024	UPTO 01.04.2023	Provided during the year	On items Sold/ Discarded/ Adjusted	UPTO 31.03.2024	UPTO 01.04.2023	Provided during the year	UPTO 31.03.2024	AS.AT 31.03.2024	AS.AT 31.03.2023
a.	Land (Freehold)	10.74	-	-	**10.74**	-	-	-	-	-	-	-	**10.74**	10.74
b.	Buildings	289.12	26.91	0.93	**315.10**	67.00	12.99	0.18	**79.81**	0.70	4.57	**5.27**	**230.02**	221.42
c.	Plant & Machinery	3267.73	185.13	1.44	**3451.42**	1063.53	188.02	0.61	**1250.94**	16.33	(0.75)	**15.58**	**2184.90**	2187.87
d.	Furniture & Fixtures	17.98	2.54	1.95	**18.57**	10.84	1.27	1.72	**10.39**	-	-	-	**8.18**	7.14
e.	Vehicles	4.42	0.80	0.61	**4.61**	3.17	0.24	0.50	**2.91**	-	-	-	**1.70**	1.25
f.	Office Equipments	41.37	13.28	0.76	**53.89**	27.68	5.88	0.48	**33.08**	-	-	-	**20.81**	13.69
g.	Others													
i)	Roads & Culverts	23.98	1.31	-	**25.29**	13.85	2.26	-	**16.11**	-	-	-	**9.18**	10.13
ii)	Railway Sidings	22.92	6.97	0.01	**29.88**	9.34	1.28	-	**10.62**	-	-	-	**19.26**	13.58
iii)	Water System, Sewerage & Drainage	21.70	-	-	**21.70**	9.57	1.38	0.02	**10.93**	-	-	-	**10.77**	12.13
iv)	Miscellaneous Equipments	108.16	8.85	1.48	**115.53**	63.93	8.04	1.26	**70.71**	-	-	-	**44.82**	44.23
	TOTAL	**3808.12**	**245.79**	**7.18**	**4046.73**	**1268.91**	**221.36**	**4.77**	**1485.50**	**17.03**	**3.82**	**20.85**	**2540.38**	**2522.18**

1.1 * Additions/Adjusments in PPE include the following

₹ Crore

	Item of Asset	AS AT 31.03.2025	AS AT 31.03.2024
Exchange Differences	Plant & Machinery / CWIP	7.92	0.97
Borrowing Costs		0.64	1.92
TOTAL		**8.56**	**2.89**

1.2 Land at Thal included in Gross Block (at cost) at ₹ 4.43 Crore (area measuring 50,52,476 Sq. Mtr.) is subject to final revision in price.

1.3 Assets offered as security for loans have been provided in Note No 19

1.4 **Capital work in progress (Refer Note No. 78)**

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
Opening Balance	431.25	211.48
Additions	757.32	465.99
Capitalisations	609.40	245.61
Impairment Loss	-	0.61
Closing Balance	**579.17**	**431.25**

NOTE NO. 2 NON-CURRENT ASSETS - RIGHT OF USE ASSETS (ROU)

AS AT 31.03.2025

₹ Crore

Description	DEEMED COST / COST				DEPRECIATION				IMPAIRMENT LOSS			NET BOOK VALUE	
	AS.AT 01.04.2024	Of Additions/ Adjustments	Of Deductions/ Adjustments	AS.AT 31.03.2025	UPTO 01.04.2024	Provided during the year	On items Sold/ Discarded/ Adjusted	UPTO 31.03.2025	UPTO 01.04.2024	Provided during the year	UPTO 31.03.2025	AS.AT 31.03.2025	AS.AT 31.03.2024
Land (Leasehold) ROU	10.39	-	-	10.39	4.01	0.66	-	4.67	1.92	-	1.92	3.80	4.46
Buildings ROU	3.31	2.56	1.37	4.50	2.09	0.96	1.21	1.84	-	-	-	2.66	1.22
Vehicles ROU	18.01	0.04	0.04	18.01	11.55	3.86	0.03	15.38	-	-	-	2.63	6.46
TOTAL	31.71	2.60	1.41	32.90	17.65	5.48	1.24	21.89	1.92	-	1.92	9.09	12.14

AS AT 31.03.2024

₹ Crore

Description	DEEMED COST / COST				DEPRECIATION				IMPAIRMENT LOSS			NET BOOK VALUE	
	AS.AT 01.04.2023	Of Additions/ Adjustments	Of Deductions/ Adjustments	AS.AT 31.03.2024	UPTO 01.04.2023	Provided during the year	On items Sold/ Discarded/ Adjusted	UPTO 31.03.2024	UPTO 01.04.2023	Provided during the year	UPTO 31.03.2024	AS.AT 31.03.2024	AS.AT 31.03.2023
Land (Leasehold) ROU	10.39	-	-	10.39	3.21	0.80	-	4.01	-	1.92	1.92	4.46	7.18
Buildings ROU	3.32	0.74	0.75	3.31	1.88	0.94	0.73	2.09	-	-	-	1.22	1.44
Vehicles ROU	14.13	3.96	0.08	18.01	7.73	3.90	0.08	11.55	-	-	-	6.46	6.40
TOTAL	27.84	4.70	0.83	31.71	12.82	5.64	0.81	17.65	-	1.92	1.92	12.14	15.02

NOTE NO. 3 NON-CURRENT ASSETS - INVESTMENT PROPERTY

AS AT 31.03.2025

₹ Crore

Description	DEEMED COST / COST				DEPRECIATION				IMPAIRMENT LOSS			NET BOOK VALUE	
	AS.AT 01.04.2024	Of Addi-tions/ Adjust-ments	Of Deduc-tions/ Adjust-ments	AS.AT 31.03.2025	UPTO 01.04.2024	Provided during the year	On items Sold/ Discarded/ Adjusted	UPTO 31.03.2025	UPTO 01.04.2024	Provided during the year	UPTO 31.03.2025	AS.AT 31.03.2025	AS.AT 31.03.2024
Land (Freehold)	0.01	-	-	0.01	-	-	-	-	-	-	-	0.01	0.01
Buildings	7.07	0.09	1.51	5.65	1.71	0.19	0.45	1.45	-	-	-	4.20	5.36
TOTAL	7.08	0.09	1.51	5.66	1.71	0.19	0.45	1.45	-	-	-	4.21	5.37

AS AT 31.03.2024

₹ Crore

Description	DEEMED COST / COST				DEPRECIATION				IMPAIRMENT LOSS			NET BOOK VALUE	
	AS.AT 01.04.2023	Of Addi-tions/ Adjust-ments	Of Deduc-tions/ Adjust-ments	AS.AT 31.03.2024	UPTO 01.04.2023	Provided during the year	On items Sold/ Discarded/ Adjusted	UPTO 31.03.2024	UPTO 01.04.2023	Provided during the year	UPTO 31.03.2024	AS.AT 31.03.2024	AS.AT 31.03.2023
Land (Freehold)	0.01	-	-	0.01	-	-	-	-	-	-	-	0.01	0.01
Buildings	6.32	0.93	0.18	7.07	1.34	0.17	(0.20)	1.71	-	-	-	5.36	4.98
TOTAL	6.33	0.93	0.18	7.08	1.34	0.17	(0.20)	1.71	-	-	-	5.37	4.99

3.1 The Company's investment properties consist of commercial / residential properties located at Mumbai, Alibaug and Lucknow. The management has determined that the investment properties consist of two classes of assets – land and building.

3.2 **Information regarding income and expediture of Investment Property**

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
Rental income derived from investment properties	39.69	38.35
Less: Direct operating expenses (including repairs and maintenance) generating rental income	3.66	2.58
Less: Direct operating expenses (including repairs and maintenance) that did not generate rental income	0.05	0.06
Profit arising from investment properties before depreciation and indirect expenses	**35.98**	**35.71**
Less: Depreciation	0.19	0.17
Profit arising from investment properties before indirect expenses	**35.79**	**35.54**

3.3 The Company undertakes expenditure towards Maintenance for upkeep of its properties which also covers the portion relating to Investment Property. The same being not material, no separate disclosure of contracts entered into for maintainance of investment property is given.

3.4 As at 31st March 2025, the fair values of the properties is ₹ 952.45 crore (₹ 956.30 crore as on 31.03.2024). These valuations are based on valuations performed by RV. Devendra Patekar (M/s Magnitas Valuation & Advisory Services LLP), an accredited independent valuer and has worked out the value of the property based on the information and a study of the micro market in discussions with industry experts, local brokers and regional developers..

3.5 Fair value disclosures for investment properties is detailed beloww

₹ C rore

Reconciliation of Fairvalue	AS AT 31.03.2025	AS AT 31.03.2024
LAND		
Opening balance	280.07	269.64
Fair Value	286.86	280.07
Fair value difference	6.79	10.43
Purchases / Transfers	-	-
Closing balance	**286.86**	**280.07**
BUILDING		
Opening balance	676.23	605.55
Fair Value	689.66	629.57
Fair value difference	13.43	24.02
Purchases / Transfers	(24.07)	46.66
Closing balance	**665.59**	**676.23**
TOTAL		
Opening balance	956.30	875.19
Fair Value	976.52	909.64
Fair value difference	20.22	34.45
Purchases / Transfers	(24.07)	46.66
Closing balance	**952.45**	**956.30**

NOTE NO. 4 NON-CURRENT ASSETS - INTANGIBLE ASSETS

AS AT 31.03.2025

₹ Crore

Description	DEEMED COST / COST				DEPRECIATION				IMPAIRMENT LOSS			NET BOOK VALUE	
	AS.AT 01.04.2024	Of Addi-tions/ Adjust-ments	Of Deduc-tions/ Adjust-ments	AS.AT 31.03.2025	UPTO 01.04.2024	Provided during the year	On items Sold/ Discarded/ Adjusted	UPTO 31.03.2025	UPTO 01.04.2024	Provided during the year	UPTO 31.03.2025	AS.AT 31.03.2025	AS.AT 31.03.2024
Computer Software	16.99	0.66	8.32	9.33	16.96	0.23	8.43	8.76	-	-	-	0.57	0.03
TOTAL	16.99	0.66	8.32	9.33	16.96	0.23	8.43	8.76	-	-	-	0.57	0.03

AS AT 31.03.2024

₹ Crore

Description	DEEMED COST / COST				DEPRECIATION				IMPAIRMENT LOSS			NET BOOK VALUE	
	AS.AT 01.04.2023	Of Addi-tions/ Adjust-ments	Of Deduc-tions/ Adjust-ments	AS.AT 31.03.2024	UPTO 01.04.2023	Provided during the year	On items Sold/ Discarded/ Adjusted	UPTO 31.03.2024	UPTO 01.04.2023	Provided during the year	UPTO 31.03.2024	AS.AT 31.03.2024	AS.AT 31.03.2023
Computer Software	16.99	-	-	16.99	16.56	0.41	0.01	16.96	-	-	-	0.03	0.43
TOTAL	16.99	-	-	16.99	16.56	0.41	0.01	16.96	-	-	-	0.03	0.43

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 5 "NON-CURRENT ASSETS" "FINANCIAL ASSETS -INVESTMENTS"

₹ Crore

Particulars		As at 31.03.2025	As at 31.03.2024
A	**Investments in Equity Instruments:**		
	a **Joint Ventures at Cost**		
	FACT-RCF Building Products Ltd.	2.36	2.36
	(23,57,000 equity shares (P.Y. 23,57,000 equity shares) of ₹10 each)		
	Less:- Provision for Diminution in the value of investment	(2.36)	(2.36)
		-	-
	Talcher Fertilizers Limited (Formerly known as Rashtriya Coal Gas Fertilizers Limited) (90,21,47,291 equity shares (P.Y. 80,54,80,826 equity shares) of ₹10 each) (Under lock in period for 5 year from date of commercial operation)	902.15	805.48
		902.15	**805.48**
	b Investment Designated at Fair Value Through OCI **Indian Potash Limited* (Refer Note No. 71)** (6,73,200 equity shares (including 4,48,800 bonus shares) (P.Y.6,73,200 equity shares) of ₹10 each)	121.51	119.76
B	**Other Investments (Unquoted) Designated at Fair Value Through P&L**		
	Transferable Development Rights (Refer Note No. 66)	**81.30**	**76.93**
	TOTAL	**1104.96**	**1002.17**
*Reconciliation of fair value measurement of the investment in unquoted equity shares of Indian Potash Limited (IPL)			
Opening balance		**119.76**	**97.28**
Total Gains and Losses Recognised in OCI		**1.75**	**22.48**
Closing Balance		**121.51**	**119.76**
Company has adopted the carrying amount as per IGAAP as its deemed cost of its investment in joint ventures.			
The deemed cost of the investments has been arrived as under:			
	(a) FACT-RCF Building Products Ltd. (3,28,70,000 equity shares (P.Y.3,28,70,000) of ₹10 each)	32.87	32.87
	Less:- Provision for Diminution in the value of investment	(32.87)	(32.87)
	Carrying Value	-	-
	(b) Urvarak Videsh Ltd. (1,80,002 equity shares (P.Y.1,80,002) of ₹10 each)	0.18	0.18
	Less:- Provision for Diminution in the value of investment	(0.18)	(0.18)
	Carrying Value	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 6 "NON-CURRENT ASSETS" "FINANCIAL ASSETS - TRADE RECEIVABLES"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
Trade Receivables (Refer Note No. 76)		
Credit Impaired	1.91	1.92
Less: Provision for Doubtful Debts	(1.91)	(1.92)
TOTAL	-	-

NOTE NO. 7 "NON-CURRENT ASSETS" "FINANCIAL ASSETS - LOANS"

₹ Crore

		AS AT 31.03.2025	AS AT 31.03.2024
	Secured Considered Good		
i.	Secured Considered Good : Loans- Employees	-	-
ii.	Unsecured Considered Good	-	-
iii.	Significant Increase in Credit Risk	-	-
iv.	Credit Impaired	-	-
	TOTAL	-	-

NOTE NO. 8 "NON-CURRENT ASSETS" "FINANCIAL ASSETS - OTHERS"

₹ Crore

		AS AT 31.03.2025	AS AT 31.03.2024
(i)	**Advances to Related Parties**		
	Considered Doubtful (Refer Note No. 57.1)	36.50	36.50
	Less: Provision	(36.50)	(36.50)
		-	-
(ii)	**Others**		
	Receivables Towards Rent / Services Provided		
	Unsecured - Considered Doubtful	0.84	0.91
	Less: Provision for Doubtful Receivables	(0.84)	(0.91)
		-	-
	TOTAL	-	-

NOTE NO. 9 "NON-CURRENT ASSETS" "OTHER NON-CURRENT ASSET"

₹ Crore

		AS AT 31.03.2025	AS AT 31.03.2024
(i)	**Capital Advances**		
	Unsecured -Considered Good	169.22	68.89
(ii)	**Advances other than Capital Advances**		
	a. Loans (Material Given on Refundable Basis) to Related Parties		
	Considered Doubtful (Refer Note No. 57.1)	1.37	1.37

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
Less: Provision	(1.37)	(1.37)
	-	-
b. Other Advances		
Unsecured -Considered Good		
i. VAT Receivable		
Unsecured -Considered Good	10.28	10.28
ii. Other Advances Considered Doubtful	1.90	1.90
Less: Provision for Doubtful Advances	(1.90)	(1.90)
	-	-
iii. Advance Income Tax (Net of Provision) (Refer Note No. 68.b)	195.82	264.58
iv. Deposits with Customs, Port Trust etc.		
Unsecured -Considered Good (Refer Note No. 42.1.2)	75.25	73.71
Unsecured -Considered Doubtful	2.06	2.06
Less: Provision	(2.06)	(2.06)
	75.25	73.71
v. Prepaid expenses	0.58	0.94
vi. Other Miscellaneous	0.01	0.05
	281.94	349.56
TOTAL	**451.16**	**418.45**

NOTE NO. 10 "CURRENT ASSETS" "INVENTORIES"

₹ Crore

		AS AT 31.03.2025	AS AT 31.03.2024
i	Raw Materials	403.66	491.82
	Raw Materials-in-Transit	-	138.89
	Raw Materials (Sub Total)	403.66	630.71
	Less: Provision (Refer Note No. 54)	(3.35)	(3.35)
	Raw Materials (Total)	**400.31**	**627.36**
ii	Finished Goods	153.31	335.04
	Finished Goods-in-Transit	104.84	99.01
	Finished Goods (Total)	**258.15**	**434.05**
iii	Stock in Trade/Bought Out Products	272.22	553.86
	Stock in Trade/Bought Out Products-in-Transit	122.06	417.94
	Stock in Trade/Bought Out Products (Total)	**394.28**	**971.80**
iv.	Intermediary Products	**81.33**	**75.48**
v.	By Products	**2.55**	**3.93**
vi.	Stores & Spares, Packing Materials and Petroleum products	458.59	487.54
	Less: Less: Provision for Obsolescence etc./Loss under Investigation (Refer Note No. 54)	(9.83)	(18.21)
		448.76	**469.33**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
vii. Certified Emission Reduction Credits (CER) / Renewable Energy Certificates (REC) / Energy Savings Certificates (E-Certs) (Refer Note No. 62)	**0.21**	**0.29**
TOTAL	**1585.59**	**2582.24**
Inventory Includes:		
Stores and Spares		
a) Under Inspection	2.81	0.82
b) With Fabricators	2.49	9.65
Cost of Inventories Recognised as Expense	6010.53	6600.90
Write down of Inventories Charge to P&L (Difference Between Cost & NRV)	11.06	25.64

NOTE NO. 11 "CURRENT ASSETS" "FINANCIAL ASSETS - TRADE RECEIVABLES"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
Subsidy Receivable (Unsecured - Considered Good)	2574.91	2953.31
Trade Receivables		
Secured - Considered good	207.94	189.28
Unsecured - Considered good	318.36	409.41
Significant Increase in Credit Risk	0.19	0.29
	526.49	598.98
Less : Provision for Expected Credit Loss *	(0.73)	(2.62)
Total - Trade Receivables	525.76	596.36
TOTAL	**3100.67**	**3549.67**

(Refer Note No.76)

* The company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on provision matrix. The provision matrix takes into account historical credit loss experience. The expected credit loss (ECL) allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting is as follows.

	AS AT 31.03.2025	AS AT 31.03.2024
ECL % - Ageing		
Not Due	0.06	0.12
00 - 90 days	1.47	2.31
91 - 180 days	1.13	26.10
181 - 365 days	93.43	96.85
> 365 days (fully secured)	-	-
Age of Receivables (₹ Cr)		
Receivable from GoI (Not tested for ECL)	5.94	7.75
Not Due - Other Trade Receivables	502.42	569.00
00 - 90 days	13.82	17.39
91 - 180 days	3.93	4.15

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

	AS AT 31.03.2025	AS AT 31.03.2024
181 - 365 days	0.17	0.48
> 365 days (fully secured)	0.21	0.21
	526.49	**598.98**
Movement in ECL allowance (₹Cr)		
Balance at Beginning of the year	2.62	0.69
Movement	(1.89)	1.93
Balance at End of the year	0.73	2.62

Out of the Total Trade Receivables, Trade Receivables amounting to ₹ 207.94 Crore as on 31.03.2025 (PY ₹ 189.28 Crore) are secured against collaterals in form of Deposits / Bank Guarantees received and held by the company.

NOTE NO. 12 "CURRENT ASSETS" "FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
Cash and Cash Equivalents		
i. Balances with Bank	237.03	156.49
ii. Cash on Hand*	-	-
iii. Deposits with Original Maturity less than 3months	750.00	-
TOTAL	**987.03**	**156.49**

The above cash and cash equivalent have not been pledged.
* CY ₹ 18034 PY ₹ 24522

NOTE NO. 13 "CURRENT ASSETS" "FINANCIAL ASSETS - OTHER BANK BALANCES"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
i. Margin Money Deposit / Bond Money Received from Employees	47.02	194.76
ii. In Unpaid Dividend Account *	1.69	1.69
TOTAL	**48.71**	**196.45**

* Earmarked balances with banks / No amounts are due & payable to Investor Education & Protection Fund

NOTE NO. 14 "CURRENT ASSETS" "FINANCIAL ASSETS - LOANS"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
i. Secured Considered Good Loans- Employees	-	0.01
ii. Unsecured Considered Good 'Loan- Other CPSE	-	5.10
iii. Significant Increase in Credit Risk	-	-
iv. Credit Impaired	-	-
TOTAL	**-**	**5.11**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 15 "CURRENT ASSETS" "FINANCIAL ASSETS - OTHERS"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
i. Fairvalue of Derivatives (Refer Note No. 71)	9.65	9.72
ii. Interest Receivable	1.70	1.13
iii Receivables towards Rent*	76.74	63.83
iv. Services provided (Receivable from Government of India towards Import of Urea on Government Account)	76.30	191.72
TOTAL	**164.39**	**266.40**

* Expected Credit Loss-NIL

NOTE NO. 16 "CURRENT ASSETS" "OTHER CURRENT ASSETS"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
i. Advances other than Capital Advances		
Security Deposits		
Unsecured -Considered Good	0.07	1.29
ii. Other Advances		
Unsecured -Considered Good		
i. Contractors	12.14	21.48
ii. Employees	0.22	0.29
iii. GST Receivable	324.81	249.48
iv. Prepaid Expenses	12.13	27.69
Total Other Advances	**349.30**	**298.94**
TOTAL	**349.37**	**300.23**

NOTE NO. 17 "EQUITY" "EQUITY SHARE CAPITAL"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
Authorised		
80,00,00,000 Equity Shares of ₹10/- each.	800.00	800.00
Issued, Subscribed and Paid Up		
55,16,88,100 Equity shares of ₹10/- each fully paid up.	551.69	551.69
TOTAL	**551.69**	**551.69**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

RECONCILIATION OF SHARES OUTSTANDING AT THE BEGINNING AND END OF THE REPORTING PERIOD

	31.03.2025		31.03.2024	
	No.	₹ Crore	No.	₹ Crore
EQUITY SHARES				
At the beginning of the year	551688100	551.69	551688100	551.69
Issued during the year	-	-	-	-
Outstanding at the end of the year	**551688100**	**551.69**	**551688100**	**551.69**

Terms/Rights Attached to Equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each share holder 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 the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES IN THE COMPANY

Particulars	31.03.2025		31.03.2024	
	% age of shareholding	No.	% age of shareholding	No.
President of India	75.00%	413769483	75.00%	413769483

DETAILS OF SHAREHOLDING OF PROMOTERS IN THE COMPANY

Particulars	31.03.2025		31.03.2024		% change during the year
	% age of shareholding	No.	% age of shareholding	No.	
President of India	75.00%	413769483	75.00%	413769483	0.00%

Particulars	31.03.2024		31.03.2023		% change during the year
	% age of shareholding	No.	% age of shareholding	No.	
President of India	75.00%	413769483	75.00%	413769483	0.00%

NOTE NO. 18 "EQUITY" "OTHER EQUITY"

₹ Crore

	Note No.	AS AT 31.03.2025	AS AT 31.03.2024
i. Other Reserves			
General Reserve			
Opening Balance		3975.11	3973.86
Add: Transferred from Retained Earnings		137.46	1.25
Closing Balance		4112.57	3975.11
Equity Instruments through Other Comprehensive Income Reserve			
Opening Balance		89.60	72.77
Add: Other Comprehensive Income for the Year (Net of Tax)		1.31	16.83
Closing Balance		**90.91**	**89.60**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

₹ Crore

	Note No.	AS AT 31.03.2025	AS AT 31.03.2024
ii. **Retained Earnings**			
Opening Balance / Adjustments		-	-
Profit for the Year		241.63	227.74
Adjustment for Remeasurement of Defined Benefit Plans (Net of Tax)		(35.76)	(22.37)
Less: Dividends Paid	18A	(68.41)	(204.12)
Less: Transfer to General Reserve		(137.46)	(1.25)
Closing Balance		-	-
TOTAL		**4203.48**	**4064.71**

For FY 2024-25, The Board of Directors have recommended a final dividend of ₹ 1.32 per equity share (P.Y. ₹ 1.24 per equity share) which is subject to approval by shareholders of the Company.

NOTE NO. 18A "DIVIDEND"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
Dividends on Equity Shares paid during the year		
Final Dividend for the FY 2023-24 [₹ 1.24 (P.Y. ₹ 3.70) per equity share of ₹ 10 each]	68.41	204.12
Interim Dividend for the FY 2024-25 [₹ NIL (P.Y. ₹ NIL) per equity share of ₹ 10 each]	-	-
TOTAL	**68.41**	**204.12**

NOTE NO. 19 "NON-CURRENT LIABILITIES" "FINANCIAL LIABILITIES - BORROWINGS"

₹ Crore

	AS AT 31.03.2025		AS AT 31.03.2024	
	Non Current	Current	Non Current	Current
SECURED				
Non Convertible Debentures (NCDs)				
6.59% Listed Secured Non Convertible Debentures (RCF Series I -2020)	-	499.97	499.87	-
Listed Secured Non Convertible Debentures(NCDs) (RCF Series I -2020) in Nos. 5000 have been issued at an interest rate of 6.59% per annum for a tenure of 5 years having face value of ₹ 10 lakhs each on 05th August 2020 which are redeemable on 05th August 2025. Such NCDs are secured by way of a Registered Debenture Trust Deed with a first pari-passu charge over subsidy receivables from Government of India and movable fixed assets (plant and machinery) present and future located at Trombay and Thal, excluding movable fixed assets of Medium Pressure (MP) and High Pressure (HP) Nitric Acid Plant situated at Trombay.				
	-	**499.97**	**499.87**	**-**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

₹ Crore

		AS AT 31.03.2025		AS AT 31.03.2024	
		Non Current	Current	Non Current	Current
	Term Loan from Banks				
1	**Rupee Loan from Banks**				
a	**UCO Bank**	117.00	36.00	153.00	27.00
	A loan of ₹ 180 crore availed from UCO Bank Limited is secured by way of first pari-passu charge on movable assets (both present and future) located at Thal and Trombay (excluding movable fixed assets of the Medium Pressure (MP) and High Pressure (HP) Nitric Acid Plant situated at Trombay) to the extent of 1.25 times of the loan amount. The rate of interest is 3 months MCLR plus Nil Margin. Repayment of the said loan would fall due for ₹ 36.00 crore in F.Y. 2025-26, ₹ 36.00 crore in F.Y. 2026-27, ₹ 36.00 crore in F.Y. 2027-28, ₹ 36.00 crore in F.Y. 2028-29, ₹ 9.00 crore in F.Y. 2029-30.				
b	**Emirates NBD Bank (P.J.S.C)**	300.00	-	-	-
	A loan of ₹ 300 crore availed from Emirates NBD Bank (P.J.S.C.) is secured by way of moveable plant & machinery of the Company to the extent of 1.25 times of the amount borrowed from bank. The security for this loan is yet to be created and perfected. The rate of interest is 3 months T-Bill plus margin of 1.40% p.a. Repayment of the said loan would fall due for ₹ 60.00 crore in F.Y. 2026-27, ₹ 60.00 crore in F.Y. 2027-28, ₹ 60.00 crore in F.Y. 2028-29, ₹ 60.00 crore in F.Y. 2029-30, ₹ 60.00 crore in F.Y. 2030-31				
		417.00	36.00	153.00	27.00
2	**Foreign Currency Loan / External Commercial Borrowings (ECB)**				
a	**CTBC**	122.33	34.78	153.50	16.81
	ECB of EURO 19.00 million availed by the Company from CTBC Bank Co., Ltd., Singapore Branch, under RBI Loan Registration no. 202305227 is secured by way of first pari-passu charge on movable assets (both present and future) located at Thal and Trombay (excluding movable fixed assets of the Medium Pressure (MP) and High Pressure (HP) Nitric Acid Plant situated at Trombay) to the extent of 1.25 times of the loan amount. The rate of interest is 1 months EURIBOR plus margin of 1.15% per annum. Repayment of the said loan would fall due for ₹ 35.08 crore in F.Y. 2025-26, ₹ 35.08 crore in F.Y. 2026-27, ₹ 35.08 crore in F.Y. 2027-28, ₹ 35.08 crore in F.Y. 2028-29, ₹ 17.54 crore in F.Y. 2029-30.				
b	**State Bank of India**	84.08	33.54	114.93	32.74
	ECB of EURO 25.00 million availed by the Company from State Bank of India, New York Branch, under RBI Loan Registration no. 202011111 is secured by way of first pari-passu charge on movable assets (both present and future) located at Thal and Trombay (excluding movable fixed assets of the Medium Pressure (MP) and High Pressure (HP) Nitric Acid Plant situated at Trombay) to the extent of 1.25 times of the loan amount. The rate of interest is 6 months EURIBOR plus margin of 1.40% per annum. Repayment of the said loan would fall due for ₹ 33.68 crore in F.Y. 2025-26, ₹ 33.68 crore in F.Y. 2026-27, ₹ 33.68 crore in F.Y. 2027-28, ₹ 16.84 crore in F.Y. 2028-29.				
		206.41	68.32	268.43	49.55

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

₹ Crore

	AS AT 31.03.2025		AS AT 31.03.2024	
	Non Current	Current	Non Current	Current
UNSECURED				
Non Convertible Debentures (NCDs)				
6.59% Listed Unsecured Non Convertible Debentures (RCF Series I -2022)	-	-	-	299.95
Listed Unecured Non Convertible Debentures (NCDs) (RCF Series I -2022) in Nos. 3000 have been issued at an interest rate of 6.59% per annum for a tenure of 3 years having face value of ₹ 10 lakhs each on 31st January 2022 which have been redeemed on 31st January 2025				
7.99% Listed Unsecured Non Convertible Debentures (RCF Series I -2024)	**299.87**	-	-	-
Listed Unecured Non Convertible Debentures (NCDs) (RCF Series I -2024) in Nos. 30000 have been issued at an interest rate of 7.99% per annum for a tenure of 3 years having face value of ₹ 1 lakhs each on 07th August 2024 which are redeemable on 07th August 2027				
	299.87	-	-	**299.95**
Term Loan from Banks				
South Indian Bank	-	19.09	19.09	76.36
A loan of ₹ 95.45 crore is availed from The South Indian Bank Limited at a rate of interest linked to 3 months T-Bill Rate plus fixed margin of 0.92% per annum. Repayment of the said loan would fall due for ₹ 19.09 crore in F.Y. 2025-26.				
	-	**19.09**	**19.09**	**76.36**
Amount disclosed under the head "CURRENT BORROWINGS" (Refer Note No. 25)		**(623.38)**		**(452.86)**
TOTAL	**923.28**	-	**940.39**	-
Details of Borrowings and Transaction Costs				
A External Commercial Borrowings				
Total External Commercial Borrowings	207.00	68.77	269.47	50.06
Less: Transaction Costs	0.59	0.45	1.04	0.51
Carrying value of External Commercial Borrowings	**206.41**	**68.32**	**268.43**	**49.55**
B Non-Convertible Debentures				
i. 6.59% Listed Secured Non Convertible Debentures (RCF Series I -2020)	-	500.00	500.00	-
Less: Transaction Costs	-	0.03	0.13	-
Carrying value of Non-Convertible Debentures	-	**499.97**	**499.87**	-
ii. 7.99%/6.59% Listed Unsecured Non Convertible Debentures (RCF Series I -2024/RCF Series I -2022)	300.00	-	-	300.00
Less: Transaction Costs	0.13	-	-	0.05
Carrying value of Non-Convertible Debentures	**299.87**	-	-	**299.95**

NOTE NO. 20 "NON-CURRENT LIABILITIES" "FINANCIAL LIABILITIES - LEASE LIABILITIES"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
Lease Liabilities	6.24	8.05
TOTAL	**6.24**	**8.05**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 21 "NON-CURRENT LIABILITIES" "FINANCIAL LIABILITIES - OTHERS"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
Advances		
Security Deposit from Vendors	46.54	42.77
TOTAL	**46.54**	**42.77**

NOTE NO. 22 "NON-CURRENT LIABILITIES" "PROVISIONS"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
Provision for Employee Benefits		
i. Leave Salary Encashment	78.48	73.49
ii. Post Retirement Medical Benefits	145.71	135.09
iii. Gratuity	0.44	-
iv. Long Service Award	0.69	0.66
TOTAL	**225.32**	**209.24**

NOTE NO. 23 "NON-CURRENT LIABILITIES" "DEFERRED TAX LIABILITIES (NET)"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
a. Deferred Tax Liability:		
i. Depreciation	348.62	344.89
ii. Fair Value of Investments	30.43	29.99
iii. Revenue from TDR	10.48	10.48
iv. Other Temporary Differences	3.57	3.20
TOTAL	**393.10**	**388.56**
b. Deferred Tax Asset:		
i. Provision for Doubtful Debts/Claims/Advances	10.72	10.74
ii. Provision for Obsolescence of Stores	-	0.69
iii. Provision for Diminution in Value of Investments	8.91	8.91
iv. Expenditure Allowable on Payment Basis	52.75	46.68
v. Other Temporary Differences	25.26	15.81
TOTAL	**97.64**	**82.83**
Net Deferred Tax Liability	**295.46**	**305.73**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 24 "OTHER LIABILITIES"

₹ Crore

		Note No.	AS AT 31.03.2025	AS AT 31.03.2024
I	**NON CURRENT**			
	i. Advance Rent Received	**24A**	0.07	0.41
	ii. Government Grants	**24B**	0.35	0.52
	iii. Deferred Income		19.81	22.80
	TOTAL OTHER NON CURRENT LIABILITIES (I)		**20.23**	**23.73**
II	**CURRENT**			
	(a) Revenue Received in Advance			
	Income Received in Advance from Customers (Contract Liabilities)	**24C**	49.96	209.33
	(b) Other Advances			
	Retention Money		12.50	12.50
	(c) Other Liabilities:			
	i. Advance Rent Received	**24A**	3.12	0.61
	ii. Government Grants	**24B**	0.02	0.06
	iii. Deferred Income		4.24	3.76
	iv. **Statutory Dues:**			
	a. Withholding Taxes		16.06	19.44
	b. GST Payable		-	2.79
	v. Others		16.00	16.01
	TOTAL OTHER CURRENT LIABILITIES (II)		**101.90**	**264.50**

NOTE NO. 24A "ADVANCE RENT RECEIVED"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
At at 1st April	1.02	1.71
Received / (Repaid) during the Year	12.88	0.05
Released to the Statement of Profit and Loss	10.71	0.74
As at 31st March	**3.19**	**1.02**
Current	3.12	0.61
Non-Current	0.07	0.41

NOTE NO. 24B "GOVERNMENT GRANTS"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
At at 1st April	0.58	0.67
Received / (Repaid) during the Year	-	-
Released to the Statement of Profit and Loss	0.21	0.09

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
As at 31st March	**0.37**	**0.58**
Current	0.02	0.06
Non-Current	0.35	0.52

NOTE NO. 24C "INCOME RECEIVED IN ADVANCE FROM CUSTOMERS (CONTRACT LIABILITIES)"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
At at 1st April	209.33	70.14
Received during the Year	49.96	209.33
Released to the Statement of Profit and Loss	209.33	70.14
As at 31st March	**49.96**	**209.33**
Current	49.96	209.33
Non-Current	-	-

NOTE NO. 25 "CURRENT LIABILITIES" "FINANCIAL LIABILITIES - BORROWINGS"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
(a) Working Capital Loans		
I. Secured		
a. From Banks (Repayable on Demand) *		
Working Capital Demand Loan	670.00	860.00
Total Secured	670.00	860.00
II. Unsecured		
From Banks		
i. Foreign Currency Loans from Banks-Buyers Credit **	535.26	-
ii. Rupee Loans **	-	1030.00
Total Unsecured	535.26	1030.00
Total Working Capital Loans	**1205.26**	**1890.00**
(b) Current Maturities of Long Term Debt (Refer Note No. 19)		
I. Secured	604.29	76.55
II. Unsecured	19.09	376.31
Total	**623.38**	**452.86**
TOTAL	**1828.64**	**2342.86**

* Cash Credit from banks carrying interest rate of 8.55%- 8.85% per annum (PY 8.40% - 8.55% per annum) and Working Capital Demand Loan carrying interest of 6.69%-7.30% per annum (PY 7.02%-7.30% per annum) are secured by hypothecation of entire Company's current assets including all stocks, book debts and other moveable assets, both present and future.

** Unsecured Foreign Currency Loans from Banks are in the form of Buyers Credit and carry interest in the range of 4.75% - 5.88% per annum (PY 5.61% per annum). These loans are repayable within 180 days.

*** Unsecured Short Term Rupee Loans carrying interest of 7.05%-7.70% per annum (PY 6.94%-7.70% per annum).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 26 "CURRENT LIABILITIES" "FINANCIAL LIABILITIES - LEASE LIABILITIES"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
Lease Liabilities	4.05	5.34
TOTAL	**4.05**	**5.34**

NOTE NO. 27 "CURRENT LIABILITIES" "FINANCIAL LIABILITIES - TRADE PAYABLES"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
Trade Payables (including Acceptances)		
(A) Outstanding Dues of Micro Enterprises and Small Enterprises (Refer Note No. 55)	88.42	55.46
(B) Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	2128.10	1880.13
TOTAL	**2216.52**	**1935.59**

(Refer Note No. 77)

Trade payables are normally non-interest bearing and are usually settled within 30-days from the date of receipt of invoice unless they are contracted with specific credit terms as applicable.

NOTE NO. 28 "CURRENT LIABILITIES" "FINANCIAL LIABILITIES - OTHER FINANCIAL LIABILITIES"

₹ Crore

			AS AT 31.03.2025	AS AT 31.03.2024
i.	Interest Accrued But Not Due on Borrowings		52.76	37.03
ii.	Unclaimed Dividend *		1.69	1.69
iii.	Payables on Capital Account		94.77	62.84
iv.	Standing Deposit from Customers		40.81	44.54
v.	Trade Deposit from Customers		97.59	96.45
vi	Earnest Money Deposit & Security Deposit from Vendors		75.70	90.79
vii	Other Payables	**28 A**	257.06	256.22
viii	Ex-gratia & Employee Benefits		39.27	27.29
	TOTAL		**659.65**	**616.85**

* No amounts are due & payable to Investor Education & Protection Fund

NOTE NO. 28A "OTHER PAYABLES"

₹ Crore

		AS AT 31.03.2025	AS AT 31.03.2024
i.	Compensation received against litigative Arbitration/Court order (Refer Note No.51)	246.39	246.39
ii.	Others	10.67	9.83
	TOTAL	**257.06**	**256.22**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 29 "CURRENT LIABILITIES" "PROVISIONS"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
Provision for Employee Benefits		
i. Leave Salary Encashment	100.60	96.83
ii. Post Retirement Medical Benefits	13.48	10.76
iii. Ex-gratia / Gratuity Payable	23.90	-
iv. Payable to Provident Fund	50.39	47.27
v. Long Service Award	0.09	0.07
TOTAL	**188.46**	**154.93**

NOTE NO. 30 "CURRENT LIABILITIES" "CURRENT TAX LIABILITIES NET"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
Provision for Taxation Current Year (net of Advance Tax)	5.01	-
TOTAL	**5.01**	**-**

NOTE NO. 31 "REVENUE FROM OPERATIONS"

₹ Crore

	Note No.	AS AT 31.03.2025	AS AT 31.03.2024
(1) Sales			
A Manufactured Products	**31A**		
Fertilizers		2842.93	2585.63
Industrial Products		1654.77	1708.65
		4497.70	4294.28
B Bought-out Products	**31A**		
Fertilizers		2535.52	2130.00
Net Sales		7033.22	6424.28
(2) Other Operating Revenues			
Subsidy on Urea & Complex Fertilizers* (Refer Note No.49)	**31B**	9855.35	10515.63
Sale of Scrap		11.97	12.76
Management Fees -For Services rendered		11.67	11.67
Margin on Tie- ups		21.43	16.97
TOTAL		**9900.42**	**10557.03**
Revenue from Operations		**16933.64**	**16981.31**

* Subsidy includes ₹ (105.00) crore (P.Y. ₹ 148.00 crore) in respect of earlier years, determined during the year (Payable)/Receivable

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 31A "SALES - PRODUCT WISE BREAK-UP"

₹ Crore

		Year ended 31.03.2025	Year ended 31.03.2024
1	**Manufactured**		
	A Fertilizers		
	Suphala 15 : 15 : 15	1693.36	1421.82
	Urea / Neem Coated Urea	1056.20	1110.74
	Others	93.37	53.07
		2842.93	**2585.63**
	B Industrial Products		
	Ammonia	286.05	523.39
	Dilute Nitric Acid	74.91	108.85
	Concentrated Nitric Acid	84.35	111.86
	Ammonium Bi-carbonate	55.97	50.03
	Methylamines	121.10	117.88
	Ammonium Nitrate Melt	921.15	695.56
	Others	111.24	101.08
		1654.77	**1708.65**
2	**Bought-out Products**		
	Imported Di Ammonium Phosphate	1551.87	1272.80
	Imported Muriate of Potash	416.56	-
	Imported S 15 15 15	-	86.35
	Imported NPK 10:26:26	301.60	449.03
	Imported NPK 20:20:0:13	169.91	293.87
	Imported TSP	56.39	-
	Others	39.19	27.95
		2535.52	**2130.00**
	TOTAL	**7033.22**	**6424.28**

NOTE NO. 31B "SUBSIDY ON UREA & COMPLEX FERTILIZERS"

₹ Crore

		AS AT 31.03.2025	AS AT 31.03.2024
1.	**Manufactured Fertilizers**		
	Price	7284.83	7952.74
	Freight	431.45	431.12
		7716.28	**8383.86**
2.	**Bought-out Fertilizers**		
	Price	1978.90	1983.80
	Freight	160.17	147.97
		2139.07	**2131.77**
	TOTAL	**9855.35**	**10515.63**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 32 " OTHER INCOME"

₹ Crore

		Year Ended 31.03.2025	Year Ended 31.03.2024
1.	**Interest Income on Financial Assets carried at Amortised Cost**		
a.	On Loans to Employees	-	0.01
b.	On Deposits with Bank and Others	42.18	42.92
c.	From Customers [includes ₹ 0.06 crore (P.Y. ₹ 0.86 crore) crore dues from DOF]	3.73	3.69
d.	From Others	0.01	0.11
		45.92	46.73
2.	**Interest Income on Taxes**		
a.	On Income Tax Refund	21.42	4.43
b.	On Sales Tax Refund	-	0.01
		21.42	4.44
	TOTAL	67.34	51.17
3.	**Dividend Income**		
	Dividend from Equity Investment measured at fair value through OCI	0.50	0.47
		0.50	0.47
4.	**Other Non-Operating Income**		
a.	**Net Gain arising on Financial Assets measured at FVTPL**		
i.	Gain / (Loss) on Sale of Mutual Fund Investments*	6.86	9.64
ii.	Gain / (Loss) on Derivatives	(1.44)	(7.99)
		5.42	**1.65**
b.	Profit on Sale of Fixed Assets (Net)	0.06	0.16
c.	Bad Debts Recovered	-	0.12
d.	Rental Income Including Other Recoveries	50.41	47.37
e.	Lease Compensation of Railway Siding	0.20	0.21
f.	Government Grants (Refer Note No. 24B)	0.21	0.09
g.	Amortisation of Deferred Deposits	6.33	5.83
h.	Miscellaneous Income	34.38	58.42
		91.59	112.20
	Less: Transfer to Research and Development Expenses (Refer Note No. 39C)	(0.03)	(0.06)
		164.82	**165.43**

* During the year purchased mutual funds amounting ₹ 5484.73 crore (P.Y. ₹ 5285.74 crore) and mutual fund sold ₹ 5491.59 crore (P.Y. ₹ 5295.38 crore).

NOTE NO. 33 "COST OF MATERIALS CONSUMED"

₹ Crore

	Note No.	Year Ended 31.03.2025	Year Ended 31.03.2024
Raw Materials	**33A**	5687.91	6220.54
Packing Materials		134.42	127.97
Less : Transferred to Research & Development (Refer Note No. 39C)		(0.72)	(0.01)
TOTAL		**5821.61**	**6348.50**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 33A "ITEMWISE BREAKUP OF MATERIALS CONSUMED"

₹ Crore

	Year Ended 31.03.2025	Year Ended 31.03.2024
RAW MATERIALS		
Rock Phosphate	170.32	167.05
Di-Ammonium Phosphate	-	2.75
Mono-Ammonium Phosphate	605.95	632.13
Muriate of Potash	436.32	562.32
Sulphur	46.65	32.43
Natural Gas	4316.74	4704.95
Others	111.93	118.91
SUB TOTAL	**5687.91**	**6220.54**
Less : Transferred to Research and Development (Refer Note No. 39C)	(0.72)	(0.01)
TOTAL	**5687.19**	**6220.53**

NOTE NO. 34 "PURCHASES OF STOCK IN TRADE"

₹ Crore

	Year Ended 31.03.2025	Year Ended 31.03.2024
Imported Di Ammonium Phosphate	2336.34	3113.32
Imported Muriate of Potash	365.80	-
Imported TSP	123.76	-
Imported S 15:15:15	-	109.31
Imported NPK 20:20:0:13	327.20	534.29
NPK 10:26:26	549.69	533.72
Others	33.01	20.48
SUB TOTAL	**3735.80**	**4311.12**
Less: Transferred to Plant for internal consumption		
Imported DAP / MOP	**(23.22)**	**-**
TOTAL	**3712.58**	**4311.12**

NOTE NO. 35 "CHANGES IN INVENTORIES OF FINISHED GOODS & STOCK IN TRADE"

₹ Crore

	Note No.	Year Ended 31.03.2025	Year Ended 31.03.2024
Opening Stock			
Finished Goods	35A	434.05	366.82
Intermediary Products		75.48	74.07
By-Products		3.93	2.77
Stock in Trade	35A	971.80	515.12
Certified Emission Reduction Credits (CER) / Renewable Energy Certificates (REC) / E-Cert		0.29	0.33
Sub-Total		**1485.55**	**959.11**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

₹ Crore

	Note No.	Year Ended 31.03.2025	Year Ended 31.03.2024
Closing Stock			
Finished Goods	35B	258.15	434.05
Intermediary Products		81.33	75.48
By-Products		2.55	3.93
Stock in Trade	35B	394.28	971.80
Certified Emission Reduction Credits (CER) / Renewable Energy Certificates (REC)/ Energy Savings Certificates E-Cert		0.21	0.29
Sub-Total		**736.52**	**1485.55**
TOTAL		**749.03**	**(526.44)**

NOTE NO. 35A "OPENING STOCK - PRODUCT WISE BREAK-UP"

₹ Crore

	Year Ended 31.03.2025	Year Ended 31.03.2024
Finished Goods		
1. Manufactured		
A. Fertilizers		
Urea (Trombay)	15.77	2.96
Urea (Thal)	139.30	112.23
Complex Fertilizers	244.22	214.82
Others	32.96	33.60
B. Industrial Products		
Methanol	0.01	0.26
Concentrated Nitric Acid	0.36	0.22
Ammonium Bi-carbonate	0.26	0.21
Methylamines	0.85	1.04
Ammonium Nitrate Melt	0.03	0.04
Dimethyl Formamide	0.08	0.08
Dimethyl Acetamide	0.01	1.25
Argon Gas / Liquid	0.20	0.11
Others	-	-
	434.05	**366.82**
2. Bought-out Products		
Fertilizers		
Imported Di Ammonium Phosphate	782.90	212.03
Imported NPK 20:20:0:13	182.80	111.37
Imported NPK 10:26:26	1.43	182.82
Others	4.67	8.90
	971.80	**515.12**
TOTAL	**1405.85**	**881.94**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 35B "CLOSING STOCK - PRODUCT WISE BREAK-UP"

₹ Crore

	Year Ended 31.03.2025	Year Ended 31.03.2024
Finished Goods		
1. Manufactured		
A. Fertilizers		
Urea (Trombay)	26.42	15.77
Urea (Thal)	103.27	139.30
Complex Fertilizers	99.44	244.22
Others	26.48	32.96
B. Industrial Products		
Methanol	0.01	0.01
Concentrated Nitric Acid	0.98	0.36
Ammonium Bi-carbonate	0.74	0.26
Methylamines	0.55	0.85
Ammonium Nitrate Melt	0.03	0.03
Dimethyl Formamide	0.07	0.08
Dimethyl Acetamide	0.01	0.01
Argon Gas / Liquid	0.15	0.20
Others	-	-
	258.15	**434.05**
2. Bought-out Products		
Fertilizers		
Imported Di Ammonium Phosphate	-	782.90
Imported Muriate of Potash	15.52	-
Imported NPK 20:20:0:13	234.03	182.80
Imported NPK 10:26:26	142.17	1.43
Others	2.56	4.67
	394.28	**971.80**
TOTAL	**652.43**	**1405.85**

NOTE NO. 36 "EMPLOYEE BENEFITS EXPENSE"

₹ Crore

	Year Ended 31.03.2025	Year Ended 31.03.2024
Salaries, Wages and Bonus	500.91	473.68
Contribution to Provident Fund and Other funds	47.74	35.24
Contribution to Gratuity Fund	5.91	5.53
Workmen and Staff Welfare Expenses	88.09	77.44
	642.65	**591.89**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

₹ Crore

	Year Ended 31.03.2025	Year Ended 31.03.2024
Less: Transferred to Research and Development (Refer Note No. 39C)	(2.71)	(2.71)
Share recoverable from Thal Ammonia Extension and Others	(42.02)	(46.40)
	(44.73)	**(49.11)**
TOTAL	**597.92**	**542.78**

NOTE NO. 37 "FINANCE COSTS"

₹ Crore

		Year Ended 31.03.2025	Year Ended 31.03.2024
1	**Interest on Financial Liabilities carried at Amortised Cost**		
a.	Interest on Term Loans from Banks	31.10	36.51
b.	Interest on Non-Convertible Debentures	59.61	52.86
c.	Interest on Working Capital from Banks	124.63	82.41
d.	Interest on Other Loans and Deposits	5.10	4.93
e.	Unwinding of Discount on Deposits	6.01	5.34
f.	Other Borrowing Costs	0.52	0.78
g.	Exchange Differences Regarded as an Adjustment to Borrowing Costs	24.59	3.54
h.	Interest Expense on Lease Liabilities	0.98	1.26
		252.54	**187.63**
2	**Other Finance Costs**	1.14	(3.99)
	TOTAL	**253.68**	**183.64**

NOTE NO. 38 "DEPRECIATION AND AMORTISATION EXPENSES / IMPAIRMENT"

₹ Crore

		Year Ended 31.03.2025	Year Ended 31.03.2024
i.	Depreciation on Property Plant and Equipment	252.32	221.36
ii.	Impairment on Property Plant and Equipment	5.31	7.94
iii.	(Reversal) of Impairment on Property Plant and Equipment	-	(4.12)
iv.	Depreciation on Investment Property	0.19	0.17
v.	Amortisation on Intangible Assets	0.23	0.41
vi.	Depreciation on Right of Use Asset	5.48	5.64
vii.	Impairment on Right of Use Asset	-	1.92
viii.	Impairment on Capital work in progress	-	0.61
	Total Depreciation / Amortisation Impairment provided during the year	**263.53**	**233.93**
	Less : Under Research and Development (Refer Note No. 39 C)	(0.77)	(0.83)
	As reported under Statement of Profit & Loss:	**262.76**	**233.10**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 39 " OTHER EXPENSES"

₹ Crore

	Note No.	Year Ended 31.03.2025	Year Ended 31.03.2024
Stores and Spares		72.38	66.10
Power and Fuel		3841.15	4178.55
Water Charges		129.38	207.16
Repairs and Maintenance	39A	222.34	243.81
Freight and Handling Charges		892.21	869.58
Rent		7.14	10.27
Rates and Taxes		12.42	11.79
Insurance		29.12	48.87
Miscellaneous Expenses	39B	171.87	155.28
Less: Transferred to Research & Development Expenses (Refer Note No. 39C)		(0.26)	(0.68)
TOTAL		**5377.75**	**5790.73**

NOTE NO. 39A "REPAIRS AND MAINTENANCE"

₹ Crore

	Year Ended 31.03.2025	Year Ended 31.03.2024
Plant and Machinery	175.58	196.02
Buildings	26.92	26.35
Other Assets	20.90	22.36
	223.40	**244.73**
Less: Transferred to Research & Development Expenses (Refer Note No. 39C)	(1.06)	(0.92)
TOTAL	**222.34**	**243.81**

NOTE NO. 39B "MISCELLANEOUS EXPENSES"

₹ Crore

	Note No.	Year Ended 31.03.2025	Year Ended 31.03.2024
Security Expenses-Factory and Others		61.82	59.41
Electricity Charges-Township and Offices		8.12	6.29
Advertisement		1.20	1.34
Bank Charges		5.63	6.52
Promotion and Publicity		3.03	16.73
Hire Charges for Vehicles		4.98	4.83
Travelling Expenses		5.37	5.90
Entertainment Expenses		0.05	0.04
Research and Development Expenses	39C	7.14	7.38
Loss on Fixed Assets Sold /Discarded		0.70	1.54
Foreign exchange Loss		35.17	11.18
Corporate Social Responsibility Expenses		16.15	17.93

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

₹ Crore

	Note No.	Year Ended 31.03.2025	Year Ended 31.03.2024
Provision for Doubtful Debts/ Claims/ Advances		0.03	2.40
Provision for Obsolescence of Stores		(0.41)	0.52
Bad Debts Written Off		0.07	-
Provision of Earlier Years no Longer Required		(9.98)	(10.41)
Liabilities for Expenses no Longer Required		(10.24)	(8.31)
Recovery of Share of Common Expenses		(23.66)	(18.10)
Other Expenses *		66.70	50.09
TOTAL		**171.87**	**155.28**

* Includes Directors' Sitting Fees C.Y. ₹ 0.09 crore, P.Y. ₹ 0.14 crore

NOTE NO. 39C "RESEARCH & DEVELOPMENT EXPENSES"

₹ Crore

	Year Ended 31.03.2025	Year Ended 31.03.2024
Salaries and Staff Welfare Expenses	2.71	2.71
Repairs and Maintenance	1.06	0.92
Depreciation	0.77	0.83
Direct Research Expenditure	1.65	2.29
Other Expenses	0.10	0.17
Handling Charges	0.16	0.51
Materials Consumed	0.72	0.01
SUB TOTAL	**7.17**	**7.44**
Less: Transferred from Other Income (Refer Note No.32)	(0.03)	(0.06)
TOTAL	**7.14**	**7.38**

NOTE NO. 40 "EXCEPTIONAL ITEMS"

₹ Crore

	Year Ended 31.03.2025	Year Ended 31.03.2024
Transferable Development Rights [Expense or Loss / (Income or Gain)] (Refer Note No. 66)	(4.37)	(40.32)
TOTAL	**(4.37)**	**(40.32)**

NOTE NO. 41 "OTHER COMPREHENSIVE INCOME"

₹ Crore

	Year Ended 31.03.2025	Year Ended 31.03.2024
Items that will not be reclassified to profit or loss		
Remeasurements of Defined Benefit Plans	(46.65)	(24.45)
Fair Value Equity Instruments (IPL Shares)	1.75	22.48
	(44.90)	(1.97)
Less: Income Tax / Deferred Tax Relating to Above Items	10.45	(3.57)
TOTAL	**(34.45)**	**(5.54)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 41 A "DISCLOSURE OF FINANCIAL ASSETS AND LIABILITIES AS PER IND AS 107 "

₹ Crore

		AS AT 31.03.2025	AS AT 31.03.2024
I)	**FINANCIAL ASSETS**		
a	BREAKUP OF FINANCIAL ASSETS AT FAIR VALUE THORUGH OCI		
	Investments - Fully Paid Shares	121.51	119.76
	TOTAL	**121.51**	**119.76**
b.	BREAKUP OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT & LOSS		
	Derivatives	9.65	9.72
	Transferable Development Rights	81.30	76.93
	TOTAL	**90.95**	**86.65**
c.	BREAKUP OF FINANCIAL ASSETS CARRIED AT AMORTISED COST / COST		
	Loans	-	5.11
	Others Financial Assets	154.74	256.68
	Trade Receivables	3100.67	3549.67
	Cash and Cash Equivalents	987.03	156.49
	Other Bank Balances	48.71	196.45
		4291.15	**4164.40**
d.	BREAKUP OF FINANCIAL ASSETS CARRIED AT COST		
	Investments - Joint Ventures	902.15	805.48
	Total	**902.15**	**805.48**
	TOTAL FINANCIAL ASSETS	**5405.76**	**5176.29**
II)	**FINANCIAL LIABILITIES**		
a.	BREAKUP OF FINANCIAL LIABILITIES CARRIED AT AMORTISED COST		
	Borrowings	2751.92	3283.25
	Trade Payables	2216.52	1935.59
	Interest Accrued but Not Due on Borrowings	52.76	37.03
	Unclaimed Dividend	1.69	1.69
	Creditors on Capital Account	94.77	62.84
	Standing Deposit from Customers	40.81	44.54
	Trade Deposit from Customers	97.59	96.45
	Earnest Money Deposit & Security Deposit from Vendors	122.24	133.56
	Ex-gratia & Employee Benefits	39.27	27.29
	Other Payables	257.06	256.22
	ROU Lease Liability	10.29	13.39
	Total	**5684.92**	**5891.85**
	TOTAL FINANCIAL LIABILITIES	**5684.92**	**5891.85**

The above referred carrying values of Financial Assets and Liabilities approximate its fair value as at the balance sheet date

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 42 "CONTINGENT LIABILITIES (NOT PROVIDED FOR)"

42.1 Claims against the Company not acknowledged as debts to the extent ascertainable (including interest wherever, ascertainable/can be reliably estimated) and not provided for net of payment/liability provided: -

(₹ Crore)

Sr. No	Particulars	As at 31.03.2025	As at 31.03.2024
1	**Claims on the Company not acknowledged as debts' Contractors / Suppliers/ Arbitrators etc.**	161.12	161.16
2	**Demands raised by various authorities that may arise in respect of matters in appeal**		
	Excise Duty (Refer note no 42.1.1)	85.38	88.85
	Sales Tax	2.72	5.49
	Income Tax	55.09	86.61
	Service Tax	16.33	16.33
	Custom Duty	81.01	80.93
	GST	1.28	1.31
	Provident Fund Authorities	0.17	-
3	Water charges claimed by Municipal Corporation of Greater Mumbai (Refer note no 42.1.2)	36.73	36.73
4	Claims preferred by local authorities	8.82	8.77
5	Claims preferred by port authorities	28.65	28.65
	GRAND TOTAL	**477.30**	**514.83**

42.1.1 Includes an amount of ₹ 21.28 crores (P.Y. ₹ 21.28 crores) towards duty, interest and penalty relating to purchase of Naphtha at concessional rate of excise duty for the purposes other than mentioned in the exemption notification for the period upto February-2005. This has been appealed by the Company and the matter is listed with the Honble Supreme Court, which is yet to be decided.

42.1.2 Out of the above ₹ 36.73 crores, demand of ₹ 33.48 crore raised by Municipal Corporation of Greater Mumbai (BMC) towards additional sewerage charges levied from 05.04.1987 are disputed by the Company in a Writ Petition filed in Bombay High Court. The Honorable High Court vide its interim Order dated 10-11-92 has granted stay on recovery of the demand for the period up to the date of the Order and directed the Company to pay sewerage charges from the date of the order which is being paid by the Company. The matter has been disposed off by the High Court and the Company approached Supreme Court. Supreme Court has directed the Bombay High Court to hear the matter and decide on merits based on facts of the case. The Stay granted on the said matter continues.

As a part of an agreement entered into with BMC for obtaining raw sewerage, the Company has paid an interest free deposit of ₹ 16.00 crore to BMC representing approximately 50% of the disputed demand which would be adjustable against the disputed demand in case the Court rules in favor of BMC. No provision is considered necessary for the disputed demand of ₹ 33.48 crore as the claim of BMC is not tenable.

42.1.3 Owing to non-compliance of Corporate Governance requirements as mandated by SEBI, with reference to composition of Independent Directors in the Board, the Company is in receipt of notice of penalty aggregating to ₹ 1.30 crore (P.Y.₹ 0.78 Crore) for a period December 2021 to December 2024 from the stock exchanges (BSE & NSE).Since the appointment of Directors is done by Government of India, the Company has approached its Administrative Ministry for ensuring the compliance and has also approached the stock exchanges for condonation/waiver of the penalty. The Company is confident that this penalty would be waived.

The Company is in receipt of notice of penalty aggregating to ₹ 0.33 crore (P.Y.₹ 0.01 Crore) from the stock exchanges (BSE & NSE) for a period December 2021 to December 2024 for non-compliance of composition of the Audit Committee in line with Regulation 18, Nomination and Remuneration Committee in line with Regulation 19, Stakeholders Relationship Committee in line with Regulation 20, Risk Management Committee in line with Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

approached the stock exchanges for waiver of the penalty. Company is confident that this penalty would be waived.

42.2 The amount of claims in respect of legal cases filed against the Company for labour matters relating to regular employees and not acknowledged as debts is not ascertainable and hence no provision is made. However, with respect to matter relating to payment of overtime wages, a stay order has been obtained by the Company from High Court, pending disposal with submission of Bank guarantee amounting to ₹ 12.00 Crore.

42.3 In respect of clause 42.1 to 42.2 above, it is not practicable for the Company to estimate the closure of these issues and the consequential timing of cash flows, if any.

NOTE NO. 43 OTHER COMMITMENTS:

(₹ Crore)

Particulars	As at 31.03.2025	As at 31.03.2024
Capital Expenditure Commitments (net of advances)	2083.77	754.62
Commitment Towards Investments in JV (Talcher Fertilizers Ltd)	1267.51	1364.19

44. **Wagons leased to Indian Railways "Under Own your Wagons Scheme"**

The lease agreement with Railways has expired in FY 2019-20 and is under renewal. As the wagons are still in the custody of Railways, Company has recognized income of ₹ 0.35 crore (P.Y ₹ 0.35 crore) for the period after completion of finance lease based on the minimum lease rentals expected under negotiation with the Railways.

As the terms of lease are yet to be finalized the said transaction is now treated as Short-term Operating Lease.

45. Formalities relating to transfer of certain immovable and other properties situated at Trombay Unit, from Fertilizer Corporation of India Limited to the Company on reorganization of the former in 1978 are not yet completed. Out of property cards for a total area of 30,42,108 Sq. meters (P.Y. 30,42,108 Sq. meters), property cards for 3,75,826 Sq. meters (P.Y. 3,75,826 Sq. meters) are yet to be transferred in the name of the Company. The Company is in the process of obtaining transfer of title deeds in its favour.

Out of total area of 50,52,476 Sq. meters' area at Thal Unit, the title deeds relating to area of 32,27,573 Sq. meters (P.Y. 32,27,573 Sq. meters) area are in the name of the Company. The balance title deeds w.r.t 18,24,903 Sq meter of land are in the process of being transferred in the name of the Company. Freehold land at Thal Unit includes land at Kihim having carrying cost of ₹ 0.02 crore, pending execution of documents and transfer of title deeds in the name of the Company, due to dispute.

46. 46. In respect of immovable properties other than land i.e. buildings and other structures, situated at its Trombay and Thal units they are self-constructed properties on the land owned by the Company as evidenced by property cards/title deeds of land.

The Company asserts that all these properties are its own and has clear title to the same since such properties are self-constructed on the Company's land, although no separate title documents for self-constructed properties are readily available. The Company has obtained opinion to that effect from the legal and regulatory experts on land matters and also has other documentary evidence in that regard.

The Company had come into existence in 1978 as a result of Government of India reorganizing Fertilizer Corporation of India Ltd. and National Fertilizers Ltd. Consequent to the same, major portion of immovable assets at its Trombay unit became vested with the Company. In case of Thal unit, such properties on the Company's land were erected over the years following land acquisition effected around 1978. Thus records pertaining to self-constructed properties are not readily available since they date back to more than 40 years. The Company has initiated the process of obtaining appropriate evidence of the approvals/permissions taken for construction of the self-constructed properties from the respective regulatory authorities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

Apart from such properties, immovable properties, including land for which title deeds are not in the name of the Company is detailed as under: -

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹in crores)	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
PPE	**Land**				
	Thal Land	**1.60**	**No**	**1978-84**	The Company is in the process of obtaining the Transfer of title deeds in its favour and is in the process of resolving the matter in respect to its valuation.
	Trombay Land	**0.24**	**No**	**1978**	The Company is in the process of obtaining the Transfer of title deeds in its favour.
	Building				
	Thal – Kihim Township	**3.09**	**No**	**1984**	The Company is in the process of obtaining evidence of title / permissions / approvals etc.

47. Balance of subsidy receivables includes certain amounts receivable from Government recognized on estimated basis and are subject to confirmation.

48. In FY 2022-23, the Company was in receipt of debit note from Gail India Ltd. towards pooled price differential, worked out on an annual basis for the year 2021-22. As per the same, the Company is required to contribute additionally to the pool account. It has been observed that the differential has been arrived at by substituting EPMC gas meant for Urea Operations with cheaper market price gases specifically contracted by the Company for non-urea operations.

Similarly, as per Department of Fertilizer's (DoF) directives during the year 2022-23, the Company had sourced Spot gas for its urea operations in lieu of gas sourced under the EPMC mechanism which also has not been considered in the pool price and was substituted with cheaper market price gases specifically contracted by the Company for non-urea operations resulting in additional contribution to the pool account.

The Company is of the view that EPMC gas / Spot gas is specifically meant for urea operations and thus needs to be subsumed in arriving at the final pool price and the same should be considered in the subsidy of urea, since the cost of gas is a pass through. The matter has been represented to DoF.

As the non-recognition of such EPMC Gas / Spot gas sourced as per DoF's directives for Urea Operations is not in accordance with the principles of gas pooling mechanism, the Company has continued to recognize such differential i.e. (EPMC / Spot gas price – Cheaper market gas price) amounting to ₹ 80.57 crore cumulatively till March 2025 for FY 2021-22 which has been shown as receivable from DoF.

Further, Company has disputed the demand of ₹ 52.18 crore raised by GAIL towards pool price differential as against receivable of ₹ 71.39 crore for FY 22-23 which has been arrived at on account of non-recognition of EPMC gas/Spot gas in Urea by FICC by substituting EPMC gas/Spot gas with cheaper RLNG gas sourced for non-urea operations. The total disputed amount for the year 2022-23 stands at ₹ 123.57 crore. Based on Company's representation DoF has directed GAIL to keep the demand under abeyance and the said matter is under examination by DoF.

49. The Company is eligible to receive subsidy from Fertilizer Industry Co-Ordination Committee (FICC) / Department of Fertilizers (DOF) on Urea, Phosphatic and Potassic (P & K) Fertilizers at the rates notified from time to time.

Subsidy is further adjusted for escalations/de-escalations in the cost of inputs and other costs, as estimated by the management based on the prescribed norms in line with known policy parameters. Accordingly, the subsidy adjusted on account of this escalations/de-escalations basis for the year amounts to ₹ 247.88 crore refundable to FICC/DOF (PY ₹ 409.39 crore refundable).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

Upon introduction of Direct Benefit Transfer (DBT) schemes for all Fertilizer Companies, there is shift in procedure for generation of subsidy claims with respect to Price subsidy & disbursement thereon. As per the same, Company is entitled for generation of claims/receipt of subsidy on the basis of actual sale by the retailers on weekly basis through POS machines. Accordingly, as on 31.03.2025, quantity of 5.77 LMT of urea and P&K having subsidy amounting ₹ 1416.46 Crore has been recognized in the current period, as such quantity has been sold to dealers but the payment of the same will become due under DBT on actual sale by the retailers through POS machines. (P.Y quantity 8.58 LMT and subsidy ₹ 2141.70 crore).

50. Directives have been given to Fertilizer CPSE's by Department of Fertilizers (DOF) vide letter No F.21-01/2023-FM dated 21st September, 2023 and to the Company vide letter No. F.21-01/2023-FM dated 08th February, 2024 to ensure availability of Phosphatic and Potassic (P&K) fertilizers in Rabi 2023-24 and undertake such procurement on priority with the assurance that the price adversity if any on such procurements beyond applicable NBS Subsidy rates will be addressed by DOF to protect at No profit No loss basis. Further, DOF vide File Number 21-01/2023-FM-Part (1) dated 29th May 2024 have also allowed consideration of price adversity beyond applicable NBS rates to ensure No Profit No Loss for unsold inventory and sales yet to be acknowledged in POS by farmers as on 30th September, 2023.The Company has submitted its claim in respect of the above which is under process by DoF for actual sales effected. Accordingly during the year ended 31st March 2025, the Company has recognized such differential based on its estimates amounting to ₹ 175.24 crore towards the same.

Further, additional imports of DAP were also undertaken as per the directives of DOF with assurance vide letter no.21-01/2023-FM dated 12th June 2024 and letter no.21-2/2022-FM(PT) dated 20th August 2024 that the relevant issues will be suitably addressed. Subsequently, DoF vide letter no.23011/124/2024-P & K dated 23rd September 2024 announced an additional one-time package of ₹ 3500 PMT on DAP over and above the subsidy under NBS scheme. Further, DoF vide letter no.23011/127/2024-P & K dated 01st October 2024 also notified that advantage/disadvantage on upward/downward trend in the CFR prices of shipments of DAP and other P & K fertilizers which arrive w.e.f 01st September 2024 to 31st March 2025 will be addressed vis-a-vis the benchmark rates considered under NBS. Accordingly during the year the Company has recognized such differential (i.e over and above the benchmark price) based on its estimates amounting to ₹ 113.60 crore on DAP imports undertaken during 01st September 2024 to 31st March 2025.

51. On 20th and 22nd March, 2019 respectively, both the Gas Turbine Generator (GTG) plants at Thal unit stopped operating. Upon failure, the matter was taken up with the LSTK contractor who had supplied the turbines, for repair, as the same were covered under warranties. The matter was referred by the LSTK contractor for repairs to the Original Equipment Manufacturer (OEM) who had indicated a total estimated expenditure of about 98 Million SEK (₹ 74.51 crore excluding taxes and duties).

As the equipment's are covered under warranties, the Company is of the view that no additional costs would devolve on the Company. Further the Company had initiated arbitration proceedings towards the LSTK contractor citing loss of profits owing to higher energy costs, higher maintenance costs etc. In response, counterclaims have been made by the LSTK contractor and the award was received in favour of the Company. The LSTK contractor has challenged this award in High Court.

The LSTK contractor has deposited the amount as directed by the Court with Company. However in the event, the Petition is allowed and the award is set aside, either in whole or in part, by the Court, the Company is obligated, within 10 days from the date of such order, to refund the entire amount of ₹ 218.46 crore deposited by M/s Thermax Ltd or any other amount as may be directed by the Court along with interest @ 6% per annum or such other rate as may be directed by Court which has accrued from date of such deposit.

52. Company had surrendered land of 48,849.74 sq. meters to MMRDA for construction of Anik Panjarapole Link Road in February 2012 towards which it was entitled to receive TDRs to the extent of land surrendered. Out of which land of 8,265 sq. meters was unencumbered and balance land of 40,584.74 Sq meters was encumbered. Company was in receipt of TDR of 16,530 sq meters in 2017 from MCGM (2 times the unencumbered land). Further in accordance with Development Control Regulation of Greater Mumbai, 1991, Company has also recognized additional TDR credit, being 20% bonus on the unencumbered land surrendered (8265.00 sq. meters X 20% = 1653 sq meters).

For remaining 40,584.74 sq. meters of encumbered land, the Company has recognized additional TDR credit receivables of 10,146 sq. meters (40,584.74 sq. meters X 25% = 10,146 sq. meters) in accordance with regulation 34 of Development Control Regulation 1991 of Greater Bombay as recommended by MMRDA.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 53 DISCLOSURES RELATING TO IMPAIRMENT OF NON-FINANCIAL ASSETS:

Company has carried out impairment testing of its Cash Generating Units (CGU) which is carried out considering an estimated useful life of 10 Years for arriving at the value in use. In determining value in use for the CGU, the cash flows were discounted at a rate of 8.00% PA (PY 8.50% PA) on pre-tax basis.

The status of provision made towards impairment is as under: -

(₹ Crore)

FY 2024-25						
Sr No.	Plant	Provision for Impairment made during the year	Reversal of Impairment Provision made during the year	Balance in Provision account at the end of the year	Recoverable Amount	Reportable Segments In which these Plants/Assets are used
A	**PROPERTY, PLANT & EQUIPMENT**					
1	Dimethyl Formamide	-	-	0.10	0.43	Chemical Segment
2	Carbon Mono Oxide	-	-	11.19	2.01	Chemical Segment
3	Methylamines	5.31	-	6.50	1.98	Chemical Segment
4	DMAC	-	-	0.33	0.58	Chemical Segment
5	MAP 100% WS	-	-	0.34	0.27	Fertilizer Segment
6	Methanol	-	-	3.13	0.24	Chemical Segment
7	Tuticoron Warehouse	-	-	4.57	-	Fertilizer Segment
	Total (1 to 7)	**5.31**	**-**	**26.16**	**5.51**	
B	**CWIP**					
1	Methanol	-	-	0.61	0.03	Chemical Segment
	Total	-	-	0.61	0.03	
C	**RIGHT OF USE ASSETS (ROU)**	-	-	-	-	
1	Land (Leasehold)-Tuticoron Warehouse	-	-	1.92	-	Fertilizer Segment
	Total	**-**	**-**	**1.92**	**-**	
	Total (A+B+C)	**5.31**	**-**	**28.69**	**5.54**	

(₹ Crore)

FY 2023-24						
Sr No.	Plant	Provision for Impairment made during the year	Reversal of Impairment Provision made during the year	Balance in Provision account at the end of the year	Recoverable Amount	Reportable Segments In which these Plants/Assets are used
A	**PROPERTY, PLANT & EQUIPMENT**					
1	Dimethyl Formamide	-	-	0.10	0.43	Chemical Segment
2	Carbon Mono Oxide	0.12	-	11.19	2.01	Chemical Segment
3	Methylamines	0.12	4.12	1.19	1.99	Chemical Segment
4	DMAC	-	-	0.33	0.58	Chemical Segment

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

		FY 2023-24				
Sr No.	Plant	Provision for Impairment made during the year	Reversal of Impairment Provision made during the year	Balance in Provision account at the end of the year	Recoverable Amount	Reportable Segments In which these Plants/Assets are used
5	MAP 100% WS	-	-	0.34	0.27	Fertilizer Segment
6	Methanol	3.13	-	3.13	0.24	Chemical Segment
7	Buildings-Tuticoron Warehouse	4.57	-	4.57	-	Fertilizer Segment
	Total (1 to 7)	**7.94**	**4.12**	**20.85**	**5.52**	
B	**CWIP**		-	-	-	
1	Methanol	0.61	-	0.61	0.03	Chemical Segment
	Total	**0.61**	**-**	**0.61**	**0.03**	
C	**RIGHT OF USE ASSETS (ROU)**		-	-	-	
	Land (Leasehold)-Tuticoron Warehouse	1.92	-	1.92	-	Fertilizer Segment
	Total	**1.92**	**-**	**1.92**	**-**	
	Total (A+B+C)	**10.47**	**4.12**	**23.38**	**5.55**	

The recoverable amount of ₹ 5.54 crore PY (PY ₹ 5.55 crore) is based on value in use and is determined at the level of the CGU.

Higher raw material prices coupled with steep fall in realizations warranted in carrying out a review of the recoverable amount of the said plants and related equipment's resulting in provision towards impairment.

Key assumptions based on which recoverable amount is most sensitive.

The calculation of value in use for the identified CGU is most sensitive to the following assumptions.

1. **Selling Prices**

   The extant selling prices are considered for forecasting cash flow estimates for arriving at the value in use. The selling prices are assumed to be kept constant in future year projections.

2. **Discount Rate**

   Discount rate is estimated considering the entity's incremental borrowing rate which is arrived at considering the present debt structure etc

3. **Sales Quantity**

   The sales projections have been worked out considering the present demand scenario and the operating capacities of the plants.

4. **Raw Material Prices - Considering current prices of raw materials.**

   The estimates of cash flows are done considering current raw material prices at the reporting date and the same are assumed to be remain constant in the future year projections as any increase in the same is expected to be passed on to the market.

54. Inventory includes stores and spares declared as surplus with further classification as disposable surplus. Since such surplus stores on disposal may not fetch full book value a suitable provision has been made. Consequent to full provision for impairment made in respect of plants referred in note no. 53, Company has also provided towards inventory of specific spares relating to the said plants. The value of such inventory and provision towards the same is as under: -

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

(₹ Crore)

Sr. No.	Particulars	As on 31.03.2025	As on 31.03.2024
A			
1	Surplus Stores and Spares	12.14	17.92
2	Disposable Surplus	6.54	10.79
3	Specific stores and spares of impaired assets	3.81	8.38
	Total (2+3)	**10.35**	**19.17**
B			
1	Provision made for Disposable Surplus	6.21	10.25
2	Provision reckoned on stores and spares for impaired assets	3.62	7.96
	Total	**9.83**	**18.21**
C			
1	Provision reckoned on Raw materials of Impaired assets - Rapid wall Plant –Trombay	**3.35**	**3.35**

NOTE NO. 55 DISCLOSURES REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT 2006 IS AS UNDER:

(₹ Crore)

Sr. No.	Particulars	As at 31.03.2025	As at 31.03.2024
1	Principal amount remaining unpaid	88.42	55.46
2	Interest due thereon	-	0.03
3	Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act,2006 ,along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
4	Interest due and payable for the period of delay making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	0.08	0.43
5	Interest accrued and remaining unpaid	0.08	0.46
6	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	1.33	1.25

Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information given by such parties/available with the Company. This has been relied upon by the statutory auditors.

NOTE NO. 56 BASED ON THE NATURE OF BUSINESS ACTIVITIES UNDERTAKEN BY THE COMPANY AND REQUIREMENT OF IND AS 108-OPERATING SEGMENT, FOLLOWING ARE THE OPERATING SEGMENTS IDENTIFIED

Segment	Nature of activities
Fertilizers	Production and supply of various grades of Fertilizers for agricultural use.
Chemicals	Production of various chemicals and supply to diverse industries
Trading	Represents fertilizers imported / locally sourced and marketed for agricultural use.

The necessary disclosures as required under Ind AS 108-Operating Segments are given in **Annexure-1.**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

The segment revenue and segment results are arrived at based on the revenues generated out of sale of such products and the costs attributable are reduced for arriving at the segment results. Assets are allocated to operating segments based on the intended use for which the asset was primarily installed. Liabilities are allocated to operating segments to which it relates to.

NOTE NO. 57 DISCLOSURES UNDER IND AS 24 ON RELATED PARTY TRANSACTIONS ARE GIVEN BELOW:

57.1 Transactions with Joint Controlled Entities

1) Relationship

JOINT CONTROLLED ENTITIES

Name of the Company	No of Shares (F.Y. 2024-25)	No of Shares (F.Y. 2023-24)	Country of Incorpo-ration	% of Ownership interest as at	
				31.03.2025	31.03.2024
1) URVARAK VIDESH LTD.(UVL)$	180002 of ₹ 10 each	180002 of ₹ 10 each	India	33.33	33.33
3) TALCHER FERTILIZERS LIMITED (TFL) #	90,21,47,291 of ₹ 10 each	80,54,80,826 of ₹ 10 each	India	33.33	33.33

$ Consequent to full provision recognized towards the investments made in UVL as per Indian GAAP, the carrying value as on the date of transition has been recognized as deemed cost of investment which is ₹ NIL as on Ind AS transition date. i.e. 1st April 2015. .

Further UVL has been declared as Dormant Company on 04.11.2015 by Registrar of Companies, New Delhi.

The shareholding is subject to change depending on the final value of the assets transferred by The Fertilizer Corporation of India Limited to Talcher Fertilizers Ltd.

National Company Law Tribunal (NCLT) proceedings have been initiated vide order dated January 11, 2024 on FACT-RCF Building Products Limited (FRBL) [Joint Venture of RCF and FACT] and a Resolution Professional (RP) has been appointed in place in January 2024. However, there is no impact on Company's financial statements, as the Company has made full provision of its investments/dues from FRBL in earlier years. Consequent to appointment of RP, the Board of FRBL stands superseded and the promoter Companies have lost the powers to exercise control of the Joint Venture and related party disclosures relating to dues is given.

Transactions during the year with the above referred related parties:

(₹ Crore)

Sr. No.	Particulars	Year ended 31.03.2025	Year ended 31.03.2024
1	Contribution towards share capital-TFL	96.67	-
2	Reimbursement of Share of Expenses from TFL	6.20	5.93

Balance Outstanding:

(₹ Crore)

Sr. No.	Particulars	As at 31.03.2025	As at 31.03.2024
		Joint Ventures	Joint Ventures
1	Advances Given –FRBL *	37.87	37.87
2	Reimbursement of Share of Expenses receivable from TFL	10.65	14.58

* The same has been fully provided.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

57.2 Transactions with other entities- where Directors are interested:

a) Name of the entity & transactions

(i) Projects and Development India Limited (PDIL) - Owing to Ms Nazhat J. Shaikh Director (Finance) holding additional charge as Director (Finance) of PDIL from 04th February, 2022 to 8th February 2024 and relevant disclosure are given.

(₹ Crore)

Sr. No.	Particulars	2024-25	2023-24
1	Transactions during the year*	-	2.75
2	Accounts receivable/(payable) as at 31st March	-	(0.60)

* Consultancy services etc.

(ii) Fertilisers and Chemicals Travancore Limited (FACT) – Owing to Shri S. C. Mudgerikar, CMD holding additional charge as Chairman & Managing Director of FACT as per directives of DoF from 23rd February, 2024.

(₹ Crore)

Sr. No.	Particulars	2024-25	2023-24
1	Loan Repayment and Interest Received during year from FACT	5.58	5.53
2	Transactions during the year*	0.08	0.07
3	Accounts receivable/(payable) as at 31st March	(0.08)	(0.07)
4	Outstanding Loan amount and Interest Receivable as at 31st March	-	5.38

* Procurement of raw materials, Services, reimbursement etc.

b) Disclosure as per Section 186 of the Companies Act, 2013

(₹ Crore)

Sr. No.	Name of Party	Amount as on 31.03.2025	Amount as on 31.03.2024
1	FACT Ltd (Joint Venture Partner in FRBL) Inter Corporate Loan	-	5.10
2	Investment in Indian Potash Limited	0.17	0.17
3	Investment in Talcher Fertilizers Limited	902.15	805.48

57.3 Key Management Personnel

a) Whole Time Directors & Company Secretary

(i) Shri S. C. Mudgerikar , Chairman & Managing Director

(ii) Ms. Nazhat J. Shaikh, Director (Finance) and CFO

(iii) Ms. Ritu Goswami, Director (Technical))

(iv) Shri. Niranjan Sonak, Director (Marketing) (From 28.01.2025)

(v) Shri Milind M. Deo, Director (Technical) (Upto 30.09.2023)

(vi) Shri Jai Bhagwan Sharma, Company Secretary

b) Independent Directors

(i) Ms. Shashi Bala Bharti (Upto 24.06.2023)

(ii) Shri Chandra Bhushan Pandey (upto 06.11.2023)

(iii) Shri Gopinathan Nair Anilkumar (Upto 04.11.2024)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

c) Government Nominee Directors

(i) Ms. Aneeta C. Meshram

(ii) Shri Sanjay Rastogi (upto 04.01.2024)

(iii) Dr. Ajay Shanker Singh (Upto 18.02.2025)

(iv) Ms. Aparna Sharma (From 18.02.2025)

Details relating to parties referred above:

(i) **Remuneration:**

(₹ Crore)

Particulars	Year ended 31.03.2025	Year ended 31.03.2024
Shri. S C Mudgerikar	0.84	1.14
Ms. Nazhat J Shaikh	0.70	0.89
Shri. Milind M Deo	-	1.23
Shri. Niranjan Sonak	0.13	-
Mrs. Ritu Goswami	0.53	0.11
Shri. Jai Bhagwan Sharma	0.59	0.70
Total	**2.79**	**4.07**

The above amount includes salaries and allowances, contribution to Provident fund, pension etc. and actual payments towards leave encashment, if any including provisions made for gratuity, leave encashment and post-retirement medical benefits made on actuarial basis.

There have been no outstanding loans and advances from the above referred parties as at year end.

(ii) **Sitting Fees in case of Independent Directors**

(₹ Crore)

Particulars	Year ended 31.03.2025	Year ended 31.03.2024
Ms. Shashi Bala Bharti	-	0.02
Shri Chandra Bhushan Pandey	-	0.04
Shri Gopinathan Nair Anilkumar	0.09	0.08
Total	**0.09**	**0.14**

57.4 Transaction with other Government related Entities

In the ordinary course of its business, the Company enters into transactions with other Government controlled entities. The Company has transactions with other Government-controlled entities, including but not limited to the following:

- Purchase of Gas, Raw Materials/Finished Goods;
- Purchase of Assets/Spare parts from Original equipment manufacturers (OEMs);
- Sale of Industrial chemicals;
- Rendering and receiving of services;

These transactions are conducted in the ordinary course of business on terms comparable to those with other entities that are not government controlled entities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

57.5 Transaction with Trusts

(₹ Crore)

Name of Related Party	Nature of Transactions	2024-25	2023-24
Contribution to Trust			
RCF Ltd Employees Provident Fund Trust	Contribution	30.79	14.49
RCF Ltd Employees Gratuity Fund	Contribution	34.87	6.79
Reimbursement of Gratuity payment made on behalf of Trust			
RCF Ltd Employees Gratuity Fund	Reimbursement	36.10	30.37
Balance payable/(receivable) as on 31st March of financial year			
RCF Ltd Employees Provident Fund Trust	Contribution	5.57	5.36
RCF Ltd Employees Gratuity Fund	Contribution/Net of reimbursement due	24.35	(6.42)

NOTE NO. 58 DISCLOSURE AS PER IND AS 37 ON "PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS" AS ON 31ST MARCH 2025:

(₹ Crore)

Sr. No.	Particulars	Balance as on 01.04.2024	Addition	Utilization	Reversal	Balance as on 31.03.2025
a)	Disputes and Claims, Legal Matters	2.00	-	-	-	2.00
		(2.00)	-	-	-	(2.00)

Figures in brackets are in respect of previous year.

NOTE NO. 59 EARNINGS PER SHARE –BASIC AND DILUTED

Particulars	Year ended 31.03.2025	Year ended 31.03.2024
Net profit after tax as per Statement of Profit and loss (₹ crore) **(A)**	241.63	227.74
Weighted Average Numbers of Equity Shares for calculating basic EPS **(B)**	55,16,88,100	55,16,88,100
Basic earnings per Share (in Rupees) (Face Value of ₹ 10/- per share) **(A)/(B)**	4.38	4.13
Diluted earnings per Share (in Rupees) (Face Value of ₹ 10/- per share) **(A)/(B)**	4.38	4.13
EPS from continuing operations (Face Value of ₹ 10/- per share)	4.38	4.13

NOTE NO. 60 "FINANCIAL REPORTING OF INTERESTS IN JOINT VENTURES"

The required information is as under: -

JOINT CONTROLLED ENTITIES

Name of the Company	Country of Incorporation	Percentage of ownership interest as on	
		31.03.2025	31.03.2024
1) URVARAK VIDESH LTD.	India	33.33	33.33
3) TALCHER FERTILIZERS LIMITED	India	33.33	33.33

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

A) **FACT-RCF BUILDING PRODUCTS LTD:**- A Joint venture Company with Fertilizers and Chemicals Travancore Ltd. (FACT) for manufacture of rapid building materials from Gypsum at Kochi.

National Company Law Tribunal (NCLT) proceedings have been initiated vide order dated January 11, 2024 on FACT-RCF Building Products Limited (FRBL) [Joint Venture of RCF and FACT] and a Resolution Professional (RP) has been appointed in place in January 2024. However, there is no impact on Company's financial statements, as the Company has made full provision of its investments/dues from FRBL in earlier years. Consequent to appointment of RP, the Board of FRBL stands superseded and the promoter Companies have lost the powers to exercise control of the Joint Venture and accordingly, the financials of FRBL is not consolidated in accordance with Ind AS 110.

B) **URVARAK VIDESH LTDD:**- A joint venture with National Fertilizers Ltd. and KRIBHCO for revival of closed Fertilizer Units of FCI/HFC group of companies has been formed. Further URVARAK VIDESH LTD. (UVL) has been declared as Dormant Company on 04.11.2015 by Registrar of Companies, New Delhi.

Summarized financial information of Company's investment in URVARAK VIDESH LTD.

(₹ Crore)

Sr. No.	Particulars	As at 31.03.2025 (Audited)	As at 31.03.2024 (Audited)
1	Non-Current Assets	-	-
2	Cash and Cash Equivalent {₹ 5,400 (P.Y ₹ 43,000)}	-	0.01
3	Current Assets other than Cash and Cash Equivalent	0.08	0.07
4	Non-Current Liabilities	-	-
5	Current Liabilities	0.04	0.04
6	Equity	0.04	0.04
7	Proportion of the Company's ownership	33.33%	33.33%
8	Carrying amount of the investment*	0.02	0.02

(₹ Crore)

Sr. No.	Particulars	As at 31.03.2025 (Audited)	Year Ended 31.03.2024 (Audited)
1	Income { ₹ 48,200 (P.Y ₹ 42,000)}	-	-
2	Cost of materials consumed	-	-
3	Depreciation and amortization expense	-	-
4	Finance costs	-	-
5	Employee benefits expenses	-	-
6	Other Expenses	0.01	0.01
7	Profit/Loss from continuing operations	(0.01)	(0.01)
8	Total comprehensive income for the year	(0.01)	(0.01)
9	Company's Share of profit / (loss) for the year	(0.01)	(0.01)

* The Company, on implementation of Ind AS had adopted the carrying amount as per IGAAP as its deemed cost of its investment in joint ventures. Hence the value of investment in the financial statements is Nil.

C) **TALCHER FERTILIZERS LIMITED:**- A Joint Venture Company with Coal India Limited (CIL), GAIL (India) Limited and Fertilizer Corporation of India Limited (FCIL) was incorporated on 13th November 2015 for revival of the FCIL's fertilizer unit at Talcher by establishing and operating new coal gasification based fertilizer complex (Ammonia/Urea Complex).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

Summarized financial information of Company's investment in TALCHER FERTILIZERS LTD.

(₹ Crore)

Sr. No.	Particulars	As at 31.03.2025 (Audited)	As at 31.03.2024 (Audited)
1	Non-Current Assets	7,295.50	5247.61
2	Cash and Cash Equivalent	115.73	145.99
3	Current Assets other than Cash and Cash Equivalent	1014.18	736.77
4	Non-Current Liabilities	4845.21	3133.68
5	Current Liabilities	777.24	612.24
6	Equity	2802.95	2384.45
7	Proportion of the Company's ownership	33.33%	33.33%
8	Carrying amount of the investment	902.15	805.48
9	Capital Commitment	6098.87	7667.17

(₹ Crore)

Sr. No.	Particulars	Year Ended 31.03.2025 (Audited)	Year Ended 31.03.2024 (Audited)
1	Income	12.88	0.59
2	Cost of materials consumed	-	-
3	Depreciation and amortization expense	1.10	0.58
4	Finance costs	-	-
5	Employee benefits expenses	4.67	3.44
6	Other Expenses	4.38	3.87
7	Profit/(Loss) from continuing operations	2.73	(7.30)
8	Total comprehensive income for the year	2.47	(7.34)
9	Company's Share of profit /(loss) for the year	0.82	(2.45)

NOTE NO. 61 MISCELLANEOUS EXPENSES INCLUDE AUDITORS' REMUNERATION AS PER DETAILS GIVEN BELOW:

(₹ Crore)

Sr. No.	Particulars	Year ended 31.03.2025	Year ended 31.03.2024
1	Audit fees for the year	0.37	0.34
2	Audit fees for Limited review	0.05	0.03
3	Audit fees for Consolidated Financial Statements	0.01	-
4	Certification Fees	0.14	0.09
5	Reimbursement of other expenses	0.04	0.05

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

62. The position of (Net) Certified Emission Reductions (CER's) or Carbon Credits, Renewable Energy Certificate and Energy Savings Certificate (E-cert) allotted and held by the Company is as under :-

Certified Emission Reductions (CER's)

Particulars	Unit	2024-25	2023-24
CER's at the beginning of the year	No.	-	-
CER's Generated/Purchased	No.	-	-
CER's Sold/Consumed	No.	-	-
CER's held at year end	No.	-	-
Depreciation, operating and maintenance cost of emission reduction equipment's expensed during the year	₹ Crore	-	-

Renewable Energy Certificate (REC)

Particulars	Unit	2024-25	2023-24
REC at the beginning of the year	No.	3030	1622
REC Generated/Purchased	No.	11921	2202
REC Sold/Consumed	No.	12287	794
REC held at year end	No.	2664	3030
REC's under certification	No.	173	-

Energy Saving Certificate (E-cert)

Particulars	Unit	2024-25	2023-24
E-cert at the beginning of the year	No.	9740	13413
E-cert Generated/Purchased	No.	-	-
E-cert Sold/Consumed	No.	438	3673
E-cert held at year end	No.	9302	9740

NOTE NO. 63 EMPLOYEE BENEFITS:

The required disclosure under Ind AS 19 Employee Benefits is given below.

General Description of Defined Benefit Plan

1) Provident Fund: -

a) The Provident Fund contributions are made to a Trust administered by the Company. The interest rate payable to the members of the Trust shall not be lower than statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952.

During the year an amount of ₹ 30.79 crore (P.Y. ₹ 14.49 crore) has been charged off to statement of profit and loss towards contribution by the Company.

b) As per Ind AS 19 Employee Benefits, for Defined Benefit plans, the Company is required to ascertain the present value of the defined benefit obligation and compare with the fair value of the Plan assets to determine the surplus or deficit, if any, as at Balance Sheet date. Deficit, if any, needs to be accounted in the books of the Company. Accordingly, the Company had recognized a liability of ₹ 24.21 crore as at 31.03.2023. Upon review of fair value plan assets as compared to present value of the defined benefit obligation, the deficit stands reduced to ₹ Nil crore as at 31.03.2025 resulting in an reversal of provision amounting to ₹ 4.00 Crore during the year. (P.Y. ₹ 20.21 crore reversal of provision).

c) Provision on account of interest shortfall determined through actuarial valuation has been recognized amounting to ₹ 3.72 crore (PY ₹ 1.89 crore) in statement of Profit and Loss and ₹ 3.40 crore (PY ₹ 16.18 crore) in Other Comprehensive Income respectively.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

The assumptions used in determining the present value of obligation of the interest rate guarantee under deterministic approach are:

Particulars	As at 31st March 2025	As at 31st March 2022
Maturity profile assumed upto	5 years	5 years
Expected guaranteed interest rate	8.25%	8.15%
Discount rate	6.81%	7.22%

The funds of the trust have been invested under various securities as per the pattern of investment mandated by Employees Provident Fund Organization (EPFO) Guidelines.

Changes in the benefit obligation (Excluding Interest Shortfall) and fair value of plan assets as at March 31, 2025

(₹ Crore)

Particulars	F.Y. 2024-25		
	Defined Benefit Obligation	Fair Value of Plan Asset	Net Benefit Asset
Opening Balance	**(908.28)**	**904.28**	**(4.00)**
Adjustment in opening balance	(0.01)	-	
Service Cost	(31.04)	-	
Net Interest Expenses	(70.73)	-	
Interest Income	-	70.73	
Benefits Paid	134.67	(134.67)	
Return on Plan Asset (excluding amounts included in net Interest Expense)	-	(25.94)	
Difference in Book value & Fair Value of Plan Asset	-	45.38	
Experience Adjustment	-	-	
Settlement /Transfer in	(0.97)	0.97	
Settlement /Transfer out	-	-	
Contribution by Plan Participants Employees	(33.65)	33.65	
Contribution by Employer	-	31.04	
Other Adjustment	-	-	
Closing Balance	**(910.01)**	**925.44**	**15.43**

Changes in the benefit obligation (Excluding Interest Shortfall) and fair value of plan assets as at March 31, 2024

(₹ Crore)

Particulars	F.Y. 2023-24		
	Defined Benefit Obligation	Fair Value of Plan Asset	Net Benefit Asset
Opening Balance	**(942.45)**	**918.25**	**(24.21)**
Adjustment in opening balance	0.66	-	
Service Cost	(30.90)	-	
Net Interest Expenses	(71.55)	-	
Interest Income	-	71.55	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

Particulars	F.Y. 2023-24		
	Defined Benefit Obligation	Fair Value of Plan Asset	Net Benefit Asset
Benefits Paid	171.80	(171.80)	
Return on Plan Asset (excluding amounts included in net Interest Expense)	-	0.49	
Difference in Book value & Fair Value of Plan Asset	-	19.05	
Experience Adjustment	-	-	
Settlement /Transfer in	(2.13)	2.13	
Settlement /Transfer out	-	-	
Contribution by Plan Participants Employees	(33.71)	33.71	
Contribution by Employer	-	30.90	
Other Adjustment	-	-	
Closing Balance	**(908.28)**	**904.28**	**(4.00)**

2) Gratuity: -

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to fifteen days' salary last drawn for each completed year of service depending upon the date of joining the same is payable on death, separation from service, or retirement, whichever is earlier. The benefit vests after five years of continuous service. During the year, the charge on account of Gratuity to Statement of Profit and Loss (including other comprehensive income/expense) is ₹ 35.09 crore (PY ₹ 6.79 crore).

3) Leave Encashment: -

The Company has been accounting for provision on account of leave encashment on retirement based on actuarial valuation carried out as at the Balance Sheet date.

The liability for the leave encashment on retirement as at 31st March 2025 is ₹ 179.08 crore (P.Y. ₹ 170.31 crore).

4) Post-Retirement Medical Benefits: -

The Company has been accounting for provision on account of post-retirement medical benefits based on actuarial valuation carried out as at the Balance Sheet date. Employees of the company upon retirement/ separation under Voluntary Retirement Scheme are entitled to medical benefits as per agreed upon scheme in force.

The liability for the Post-Retirement Medical Benefits on retirement as at 31st March 2025 is ₹ 159.18 crore (P.Y. ₹ 145.85 crore).

5) Long Term Service Award:

As a part of cordial relation and appreciation of long dedicated service, Company is honoring its employees with a memento on completion of 25/35 years of service.

General Description of Defined Contribution Plan

Contributory Superannuation Scheme:

The scheme is a defined contribution scheme. Employees are required to exercise their option to be a part of the scheme and make a contribution equivalent to the amount contributed by the Company to the fund, upon becoming the member of the scheme. Under the scheme the employee shall be eligible for pension at the time of superannuation from the Company which is as per Government of India guidelines. During the year, Company has recognized an expenditure of ₹ 14.05 crore (P.Y. ₹ 17.84 crore) as contribution towards the said scheme.

Gratuity & Post-Retirement Medical Benefits:

The following table shows the impact of actuarial valuation as recognized in the financial statements in respect of Gratuity and Post-retirement medical benefits.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

(₹ Crore)

Particulars	As at 31st March 2025		As at 31st March 2023	
	Gratuity (Funded)	Post-Retirement Medical Benefits (Non-Funded)	Gratuity (Funded)	Post-Retirement Medical Benefits (Non-Funded)
1) Components of Employer expenses				
Current Service Cost	6.16	1.70	5.83	1.82
Past Service cost	-	-	-	-
Net Interest Cost / (Income)	(0.46)	10.56	(0.30)	10.40
Net expense/(gain) recognized in the statement of Profit and Loss (refer note below)	5.70	12.26	5.53	12.22
Remeasurement of the net defined benefit liability				
Actuarial (Gains) or Losses due to changes in Financial Obligations	6.43	2.74	3.99	3.16
Actuarial Gains or Losses due to demographic assumptions	-	-	-	-
Actuarial Gains or Losses due to experience adjustments	21.39	11.33	(3.95)	3.85
Return on plan assets excluding amounts included in Net Interest Expense	(1.36)	-	(1.23)	-
Components of defined benefit cost/(Income) recognized in other comprehensive income	29.17	14.08	1.27	7.01
2) Changes in Benefit Obligations				
Present value of Obligation at year beginning	**224.43**	**145.85**	**237.48**	**138.13**
Service Cost	6.16	1.70	5.83	1.82
Interest Cost	16.20	10.56	17.86	10.40
Past Service cost	-	-	-	-
Liability Transferred In/ Acquisitions	0.08	-	-	-
Actuarial(Gain)/Loss	27.82	14.08	0.04	7.01
Benefits paid	(26.39)	(13.00)	(36.78)	(11.50)
Present value of Obligation at year end	**248.30**	**159.18**	**224.43**	**145.85**
3) Changes in Plan Assets				
Fair value of Plan Assets , at year beginning	230.85	-	241.50	-
Assets Transferred In/Acquisitions	0.08	-	-	-
Expected return on Plan Assets	16.67	-	18.16	-
Employer's contributions	4.11	-	9.19	-
Benefits paid	(26.39)	-	(36.78)	-
Actuarial Gain/(Loss)	-	-	-	-
Return on plan Asset excluding interest income.	(1.36)	-	(1.23)	-
Fair value of Plan Asset at the year end	**223.95**	**-**	**230.85**	**-**
Present Value of funded defined benefit obligation	(248.30)	(159.18)	(224.43)	(145.85)
Fair value of Plan Asset	**223.95**	**-**	**230.85**	**-**
Net (Liability)/Asset arising from defined benefit obligation	(24.35)	-	6.42	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

(₹ Crore)

Particulars	As at 31st March 2025		As at 31st March 2023	
	Gratuity (Funded)	Post-Retirement Medical Benefits (Non-Funded)	Gratuity (Funded)	Post-Retirement Medical Benefits (Non-Funded)
Insurance Fund	213.49	-	220.52	-
State Government Securities	10.33	-	10.32	-
Cash and Cash Equivalents	0.13	-	0.01	-
Other		-	-	-
Total	**223.95**	**-**	**230.85**	**-**
Actuarial Assumptions				
Discount Rate(per annum)	6.81%	7.05%	7.22%	7.24%
Expected Rate of Return on Assets (per annum)	6.81%	-	7.22%	-
Salary Escalation/Annual increase in health care cost	8%	-	8%	-
Rate of Employee Turnover	2%	2%	2%	2%
Contribution to defined benefit plan during the next financial year				
One percentage point increase in discount rate	(15.03)	(13.41)	(12.68)	(10.31)
One percentage point decrease in discount rate	17.43	16.27	14.59	12.12
One percentage point increase in salary increase	9.47	-	6.32	-
One percentage point decrease in salary increase	(9.29)	-	(6.43)	-
One percentage point increase in employee turnover rate	0.49	-	1.36	-
One percentage point decrease in employee turnover rate	(0.60)	-	(1.58)	-

Maturity Analysis of Projected Benefit Obligation (from the fund)

1st Following Year	40.69	13.48	30.77	10.76
2nd Following Year	24.54	13.35	25.13	10.60
3rd Following Year	28.78	13.28	34.48	10.43
4th Following Year	30.36	13.23	25.08	10.20
5th Following Year	23.37	13.11	26.29	9.98
Sum of Years 6 to 10	77.90	62.29	77.14	45.72
Sum of Years 11 and above	226.44	-	190.03	-

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Estimates of future salary increase considered in the actuarial valuation take into account inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 64 THE POSITION OF FOREIGN CURRENCY EXPOSURES ARE AS UNDER :

The position of **Hedged Foreign currency exposures** are as under: -

(₹ Crore)

Hedged Exposure	Cross Currency	As on 31.03.2025	As on 31.03.2024
Buyer's credit/Supplier's credit availed for import	USD	842.97	175.09
Long Term Borrowings	USD/EUR	206.30	176.33

The position of **Unhedged Foreign currency exposures** are as under: -

(₹ Crore)

Unhedged Exposure	Cross Currency	As on 31.03.2025	As on 31.03.2024
Foreign currency term loans	USD / EUR	70.98	145.66
Buyer's credit/Suppliers credits for imports (including Interest accrued but not due) / Trade Payables (net)/ Deposits received	USD / EUR / SEK/ JPY	118.97	644.85

Derivative Financial Instruments

The status of derivative financial instruments outstanding is as under: -

(In Million)

Hedging Instrument	Currency	Hedged Exposure	Currency	As on 31.03.2025	As on 31.03.2024
Forwards/ Call Spreads / Seagull options	USD / INR	Buyers Credit / Suppliers Credit/ Foreign Currency Long Term Loans	USD	99.31	21.00
	EUR/INR	External Commercial Borrowings	EUR	20.02	19.55
	EUR/USD	External Commercial Borrowings	EUR	4.62	-

NOTE NO. 65 CONTINGENT ASSETS:

a) As per the Arbitration award received in its favor for the compensation claimed in respect of surrender of land to Mumbai Metropolitan Regional Development Authority (MMRDA) on 23rd May, 2018, The Company is eligible for compensation either in the form of cash / TDRs amounting to ₹ 75.17 crore along with interest over and above the entitled compensation as recommended by Arbitration award. Company has filed an execution application, however MMRDA has obtained stay against the same from Mumbai High Court subject to deposit of 25% of the disputed amount with the Court. MMRDA has deposited 25% of the disputed amount as directed by the Court and the Company has withdrawn the same amounting to ₹ 27.93 crores in F.Y.2020-21 upon submission of bank guarantees of equivalent amount in favour of the Court. The matter is yet to be heard.

b) Further, in respect to action initiated towards certain parties for recovery of its dues, the Company has filed Execution Petitions attaching properties in existence upon receipt of favorable orders from Court amounting to ₹ 0.63 crore (P.Y. ₹ 0.63 crore).

c) In accordance with MOU entered with DOF for Import of Urea, the Company is eligible for interest on delayed settlement of claims from DOF. Accordingly, Company has preferred interest claims amounting to ₹ 30.16 crore towards delay in settlement of balance 2% claims, however has not recognized income towards the same since the same is subject to verification and finalization from DOF.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 66 EXCEPTIONAL ITEMS:

Exceptional item consists of:

(₹ Crore)

Sr. No.	Particulars	Year ended 31.03.2025	Year ended 31.03.2024
A.	**Transferable Development Right**		
	Loss / (Gain) on Sale/Revaluation of Development Right Certificate received / receivable from MMRDA towards surrender of land in earlier years to MMRDA/ MCGM.	-	(25.28)
	Loss/(Gain) on Revaluation of valuation of Development Right Certificate received from Municipal Corporation of Greater Mumbai towards surrender of land.	(4.37)	(15.04)
	Net Exceptional Expense / (Income)	**(4.37)**	**(40.32)**

NOTE NO. 67 DISCLOSURE RELATING TO CORPORATE SOCIAL RESPONSIBILITY "CSR" ACTIVITIES

Company during the year has incurred an expenditure of ₹ 16.15 crore (P.Y. ₹ 17.93 crore) towards the same which is reported under Note No. 39 "Other Expenses" & Note 39B "Miscellaneous expenses".

The expenditure incurred is under the following heads: -

(₹ Crore)

Particulars	Year ended 31.03.2025		Year ended 31.03.2024	
	Construction / Acquisition of any assets (i)	On the purpose other than (i)	Construction / Acquisition of any assets (i)	On the purpose other than (i)
Health Care	-	13.00	-	13.38
Rural Development	-	0.28	-	0.99
Skill Development & livelihood	-	0.18	-	0.31
Promoting Education	-	1.81	-	0.88
Women Empowerment	-	0.28	-	2.37
Protection of Environment	-	0.60	-	-
Total	**-**	**16.15**	**-**	**17.93**

The other disclosures are as under: -

(₹ Crore)

Particulars	Year ended 31.03.2025	Year ended 31.03.2024
Gross amount required to be spent by the Company during the year	15.95	17.68
Amount spent during the year (on purpose other than construction / acquisition of assets controlled by the Company)	16.15	17.93
Amount yet to be paid in cash	0.94	0.86

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

Details of CSR expenditure to be reported in accordance with Schedule III of Companies Act

(₹ Crore)

F. Y.	Amount required to be spent during the year	Amount spent during the year	Balance c/f as at 31.03.2025	Amount charged off to statement of P& L	Shortfall	Reason for Short fall	Related Party	Provision of liability by entering Contractual obligation
2024-25	15.95	*16.15	-	16.15	Nil	N.A.	Nil	N.A.
2023-24	17.68	**20.58	2.65	17.93	Nil	N.A.	Nil	N.A.

*Includes ₹ 2.65 crores carried forward from F.Y. 2023-24.
**Includes ₹ 2.65 crores excess amount carry forward to F.Y. 2024-25.

NOTE NO. 68 INCOME TAX

(a) Reconciliation of tax expense and the accounting profit as per below:

(₹ Crore)

Sr. No.	Particulars	Year ended 31.03.2025	Year ended 31.03.2024
1	**Accounting profit before tax from continuing operations**	**327.50**	**303.63**
2	At the effective income tax rate of (31st March 2025: 25.17% and 31st March 2024: 25.17%)	82.43	76.42
	Effect of :--		
3	Expenses that are not deductible in determining Taxable Profit	6.43	21.32
4	Income that is exempt from taxation	(0.13)	(0.12)
5	Effect of deferred tax of previous period	-	-
6	Other permanent differences	(0.44)	4.34
7	**Sub Total (Sr. No. 2+3+4+5+6)**	**88.29**	**101.96**
8	Adjustment in respect of current income tax of previous year	(2.42)	(26.07)
9	**Income tax expense reported in the statement of profit or loss (Sr. No. 7+8)**	**85.87**	**75.89**
10	Effective income tax rate (in %) (Sr.No.9 / Sr. No. 1)*100	26.22	24.99

(b) Details of Advance Income Tax (Net of Provision)

(₹ Crore)

Particulars	F.Y. 2024-25	F.Y. 2023-24
Advance Income Tax - current year	-	59.74
Advance Income Tax - prior year	195.82	204.84
Total	**195.82**	**264.58**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 69 DEFERRED TAX

(₹ Crore)

	For the Year 2024-25			
	Opening Balance 01.04.2024	Recog-nized in P&L	Reco-gnized in OCI	Closing Balance 31.03.2025
DEFERRED TAX LIABILITY				
Property Plant & Equipment and Intangible Assets	344.89	3.73	-	348.62
Revaluation of FVTOCI Investments to Fair value	29.99	-	0.44	30.43
Other temporary differences	3.20	0.37	-	3.57
TDR Accrued	10.48	-	-	10.48
TOTAL (A)	**388.56**	**4.10**	**0.44**	**393.10**
DEFERRED TAX ASSET				
Provision for doubtful debts/claims/advances	10.74	(0.02)	-	10.72
Provision for obsolescence of stores	0.69	(0.69)	-	-
Provision for diminution in value of investments	8.91	-	-	8.91
Expenditure allowable on payment basis	46.68	6.07	-	52.75
Other temporary differences	15.81	9.45	-	25.26
TOTAL (B)	**82.83**	**14.81**	**-**	**97.64**
NET DEFERRED TAX LIABILITY (A-B)	**305.73**	**(10.71)**	**0.44**	**295.46**

(₹ Crore)

	For the Year 2023-24			
	Opening Balance 01.04.2023	Recog-nized in P&L	Recog-nized in OCI	Closing Balance 31.03.2024
DEFERRED TAX LIABILITY				
Property Plant & Equipment and Intangible Assets	313.27	31.62	-	344.89
Revaluation of FVTOCI Investments to Fair value	24.34		5.65	29.99
Other temporary differences	2.37	0.83		3.20
TDR Accrued	10.48	-	-	10.48
TOTAL (A)	**350.46**	**32.45**	**5.65**	**388.56**
DEFERRED TAX ASSET				
Provision for doubtful debts/claims/advances	11.17	(0.43)	-	10.74
Provision for obsolescence of stores	3.86	(3.17)	-	0.69
Provision for diminution in value of investments	8.91	-	-	8.91
Expenditure allowable on payment basis	71.92	(25.24)	-	46.68
Other temporary differences	17.70	(1.89)	-	15.81
TOTAL (B)	**113.56**	**(30.73)**	**-**	**82.83**
NET DEFERRED TAX LIABILITY (A-B)	**236.90**	**63.18**	**5.65**	**305.73**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 70 HEDGING ACTIVITIES AND DERIVATIVES

- **Derivatives not designated as hedging instruments**

  The Company has foreign currency denominated borrowings in the nature of External Commercial borrowings (ECBs), Foreign Currency Term Loan (FCTL) for its long term requirements and Buyers Credit, Suppliers credit for meeting its short term fund requirement. The Company has a hedging policy in place to manage its foreign currency risk relating to these borrowings. The Company uses various products for hedging like Forex Forward Contracts, Forward Rate Agreements, Plain Vanilla Options (call option and put option), Seagull options, Interest Rate Swaps, Currency Swaps including Cross-Currency Swaps etc. The Company undertakes hedging through these products considering the tenor of the underlying instrument and the same are not designated as cash flow hedges.

NOTE NO. 71 FAIR VALUES

The management has assessed that its financial assets and liabilities like cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following methods and assumptions were used to estimate the fair values for the given below financial assets.

- **Unquoted Equity Shares of Indian Potash Limited**

  The fair values of the unquoted equity shares have been estimated using a DCF model. The Company avails the services of professional valuer's for valuation of the same and the fair values so reported are based on a valuation report received from an investment valuation expert.

- **Investment in Mutual Fund**

  The fair values of investments in mutual fund units is based on the net asset value (NAV) as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

- **Derivatives not designated as hedges**

  The Company enters into derivative financial instruments with various banks. Interest rate swaps, foreign exchange forward contracts, derivative instruments are valued using valuation techniques, which employs the use of market observable inputs (i.e. based on inputs/statement of position received from banks). All derivative contracts with banks are unsecured.

- **Investment Properties**

  The value of the investment properties are based on the information and a study of the micro market in discussions with industry experts, local brokers and regional developers.

  Fair values hierarchy is detailed as below.

(₹ Crore)

Fair values Hierarchy	31.03.2025			31.03.2024		
	Significant observable inputs	Significant observable inputs	Significant unobservable inputs	Significant observable inputs	Significant observable inputs	Significant unobservable inputs
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
Investment in Unquoted Equity Shares of Indian Potash Ltd.			121.51			119.76

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

Fair values Hierarchy	31.03.2025			31.03.2024		
	Significant observable inputs	Significant observable inputs	Significant unobservable inputs	Significant observable inputs	Significant observable inputs	Significant unobservable inputs
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Derivative Instruments not Designated as Hedges		9.65			9.72	
TDRs recognized at fair market value		81.30			76.93	
Financial Liability						
Assets for which Fair values are disclosed						
Investment Properties		952.45			956.30	

NOTE NO. 72 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities, other than derivatives, comprise of loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support operations of its joint ventures, if any.

The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds FVTOCI investments and enters into derivative transactions.

The Company is exposed to market risk (including interest rate risk and currency risk), credit risk and liquidity risk. The Company seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures, the use of financial derivatives is governed by the Company's polices approved by the board of directors, which provide written principles on foreign exchange risk, interest rate risk, use of financial hedging instruments.

The Company's management oversees these risks with the support of a Risk Management Committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Risk Management Committee provides assurance to the Company's management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

All derivative activities for risk management purposes are carried out by designated officers who have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. These risks are summarized below:

- **Interest Rate Risk:**

  Interest Rate Risk Management:

  Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risks because the Company borrows funds at both fixed and floating interest rates.

  The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. Hedging activities are evaluated regularly to align interest rate views and defined risk appetite, ensuring the most cost-effective hedging structures are applied and accordingly the Company enters into interest rate swaps.

  Interest Rate Sensitivity Analysis:

  The sensitivity analysis has been determined based on the exposure to interest rate risk on the long term borrowings outstanding as at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year with a 50 basis point increase or decrease. The detailed sensitivity analysis is given below:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

(₹ Crore)

Nature of Floating interest rate Loans	Total outstanding floating rate loans	Current interest rate	Change	Impact on Profit and Loss Account (+Profit / -Loss)
As on 31.03.2025				
EUR Borrowings	275.77	3.75%	0.50%	1.38
			-0.50%	(1.38)
INR Borrowings	472.09	8.09%	0.50%	2.36
			-0.50%	(2.36)
Total	**747.86**			**3.74**
				(3.74)
As on 31.03.2024				
EUR Borrowings	319.53	5.16%	0.50%	(1.60)
			-0.50%	1.60
INR Borrowings	275.45	8.24%	0.50%	(1.38)
			-0.50%	1.38
Total	**594.98**			**(2.97)**
				2.97

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

- **Credit Risk:**

  Credit Risk Management:

  Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigation the risk of financial loss from defaults.

  Trade receivables consist of a large number of customers, spread across diverse geographical areas for its fertilizers segment and across geographical areas and industries in respect of its chemicals segment. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

  The credit risk on liquid funds is limited because the counterparties are primarily Public and private Sector mutual funds and further the Company invests only in 100% debt oriented schemes of such funds. As regards derivative financial instruments the same is also limited because the counterparties are banks whose operations are regulated by the Reserve Bank of India.

- **Market risk**

  Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. The Company's activities expose it's primarily to the financial risk of changes in foreign currency risk and interest rates risk.

- **Liquidity risk**

  Liquidity risk management

  Liquidity risk management refers to the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period.

(₹ Crore)

Company's Financial Liabilities	As at 31.03.2025					
	Demand	<3 Months	3-12 Months	1-5 years	>5 Years	Total
Borrowings	-	1267.61	561.03	863.28	60.00	2751.92
Trade Payables	955.23	1247.05	14.24	-	-	2216.52
Other Financial Liabilities	575.21	60.62	23.82	13.57	32.97	706.19
Lease Liability	-	1.48	2.57	4.87	1.37	10.29
TOTAL	**1530.44**	**2576.76**	**601.66**	**881.72**	**94.34**	**5684.92**

Company's Financial Liabilities	As at 31.03.2024					
	Demand	<3 Months	3-12 Months	1-5 years	>5 Years	Total
Borrowings	-	1925.42	417.44	914.25	26.14	3283.25
Trade Payables	506.11	1306.94	122.54	-	-	1935.59
Other Financial Liabilities	500.79	85.83	30.23	12.52	30.25	659.62
Lease Liability	-	1.52	3.82	6.35	1.70	13.39
TOTAL	**1006.90**	**3319.71**	**574.04**	**933.12**	**58.09**	**5891.85**

- **Foreign Currency Risk:**

The Company undertakes transactions denominated in foreign currencies, consequently, exposure to exchange rate fluctuations arise. The Company has a Board approved Hedging Policy in place entailing parameters for hedging its foreign currency exposures completely before their maturities. The Company manages its exchange rate exposures within the approved parameters of the hedging policy through various derivative instruments such as options, swaps etc.

Foreign Currency Sensitivity Analysis:

The Company is mainly exposed to the currency of USD and EUR. The following table details the Company's sensitivity to a 5% increase and decrease in the INR as against the USD/EUR. The sensitivity analysis includes only outstanding foreign currency denominated monetary items i.e. loans in foreign currency and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number indicates an increase in profit or equity where the INR strengthens 5% against USD/EUR. For a 5% weakening of INR as against USD/EUR, there would be a comparable impact on the profit or equity, and the number would be negative.

Currency	As on 31st March 2025								
	Financial Liabilities			Total Exposure (Net) in Foreign Currency	Exchange rate as on 31.03.2025	Total Exposure in INR	Change	Change	Impact on Profit and Loss Account (+Profit /-Loss)
	Trade Payables(net) / Deposits received**	Bank Loans (Long term + Short Term) *	Interest accrued but not due on borrowings						
	Foreign Currency in Million				Rs. per Foreign Currency	Rs. in Crore	%	Rs. per Foreign Currency	Rs. in Crore
USD	47.57	63.74	-	111.31	85.58	952.60	5.00%	4.2791	(47.63)
							-5.00%	(4.2791)	47.63

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

As on 31st March 2025									
Currency	Financial Liabilities			Total Exposure (Net) in Foreign Currency	Exchange rate as on 31.03.2025	Total Exposure in INR	Change	Change	Impact on Profit and Loss Account (+Profit /-Loss)
	Trade Payables(net) / Deposits received**	Bank Loans (Long term + Short Term) *	Interest accrued but not due on borrowings						
	Foreign Currency in Million				Rs. per Foreign Currency	Rs. in Crore	%	Rs. per Foreign Currency	Rs. in Crore
EUR	0.25	29.87	0.16	30.28	92.32	279.57	5.00%	4.6162	(13.98)
							-5.00%	(4.6162)	13.98
Other Currencies	-	-	-	-		22.53	5.00%		(1.13)
							-5.00%		1.13
	Total			141.59		1,254.71			

** of the above, an amount of ₹. 206.30 crores are hedged by way of Financial Derivative Instruments*

*** of the above, an amount of ₹. 842.97 crore is hedged by way of Financial Derivative Instruments*

As on 31st March 2024									
Currency	Financial Liabilities			Total Exposure (Net) in Foreign Currency	Exchange rate as on 31.03.2024	Total Exposure in INR	Change	Change	Impact on Profit and Loss Account (+Profit /-Loss)
	Trade Payables(net) / Deposits received**	Bank Loans (Long term + Short Term) *	Interest accrued but not due on borrowings						
	Foreign Currency in Million				Rs. per Foreign Currency	Rs. in Crore	%	Rs. per Foreign Currency	Rs. in Crore
USD	97.56	-	-	97.56	83.37	813.44	5.00%	4.1687	(40.67)
							-5.00%	(4.1687)	40.67
EUR	0.15	35.42	0.27	35.84	90.22	323.34	5.00%	4.5109	(16.17)
							-5.00%	(4.5109)	16.17
Other Currencies	-	-	-	-		5.13	5.00%		(0.26)
							-5.00%		0.26
	Total			133.40		1141.91			

** of the above, an amount of ₹. 176.33 crores are hedged by way of Financial Derivative Instruments*

*** of the above, an amount of ₹. 175.09 crore is hedged by way of Financial Derivative Instruments*

NOTE NO. 73 CAPITAL MANAGEMENT

For the purpose of the Company's Capital management, capital includes equity capital and all other reserves. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company, for its capex requirement, borrows to the extent of 70% of the requirement and the remaining 30% shall be sourced from the internal accruals. Further, the Company, being a Public sector undertaking, is governed by the guidelines of the Department of Investment & Public Asset Management (DIPAM), which specifies the minimum percentage of dividend that can be declared. Considering the profitability, CAPEX and ability to service dividend the actual dividend payout is undertaken and exemption is sought, if necessary. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

Gearing Ratio:

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that its meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings or levy of penal interest. Breaches if any, in the financial covenants of any interest-bearing loans and borrowings are suitably addressed.

No changes have been made in the objectives, policies and processes for managing capital during the years ended 31st March 2025 & 31st March 2024.

(₹ Crore)

Particulars	31.03.2025	31.03.2024
Borrowings (Current + Non-Current)	2,751.92	3283.25
Trade Payables	2216.52	1935.59
Total Debt (A)	**4968.44**	**5218.84**
Total Capital (B)	**4,755.17**	**4616.40**
Total Capital and Net Debt (C) = (A)+ (B)	**9,723.61**	**9835.24**
Gearing Ratio (A/C*100)	**51.10**	**53.06**

NOTE NO. 74 CHANGES IN FINANCIAL LIABILITIES ARISING FROM FINANCING ACTIVITIES FOR FY 2024-25

(₹ Crore)

Particulars	Non-Current Balance & Current Balance as at 31.03.2024	Receipt	Re-payment	Foreign Exchange Variation (Net)	Transaction cost & Others	Non-Current Balance & Current Balance as at 31.03.2025
Borrowings - Non Current (Including Current Maturities of Long Term Debt) (refer Note 19)	**1,393.25**	600.00	(452.85)	5.65	0.61	**1,546.66**
Borrowings – Current (Excluding Current Maturities of Long Term Debt) (refer Note 25)	**1,890.00**	-	(1,220.00)	-	-	**670.00**
Acceptances / Suppliers credit (refer Note 27)	**-**	526.75	-	8.51	-	**535.26**
ROU Lease Liabilities (refer Note 20 & 26)	**13.39**	-	(6.53)	-	3.43	**10.29**

Changes in Financial Liabilities arising from Financing Activities for FY 2023-24

(₹ Crore)

Particulars	Non-Current Balance & Current Balance as at 31.03.2023	Receipt	Re-payment	Foreign Exchange Variation (Net)	Transaction cost & Others	Non-Current Balance & Current Balance as at 31.03.2024
Borrowings - Non Current (Including Current Maturities of Long Term Debt) (refer Note 19))	**1,132.57**	444.38	(186.62)	3.43	(0.51)	**1,393.25**
Borrowings – Current (Excluding Current Maturities of Long Term Debt) (refer Note 25)	**730.08**	1,159.92	-	-	-	**1,890.00**
Acceptances / Suppliers credit (refer Note 27)	**-**	-	-	-	-	**-**
ROU Lease Liabilities (refer Note 20 & 26)	**13.96**	-	(6.53)	-	5.96	**13.39**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 75 DISCLOSURE AS PER IND AS 116 – LEASES

(₹ Crore)

Sr. No.	Particulars	31.03.2025	31.03.2024
	Details pertaining to Lease Arrangement considered as ROU		
1	Total Gross Lease liability	12.79	16.87
2	Total Discounted lease liability	10.29	13.39
3	Cash Outflow due to Lease Liability	6.53	6.53
4	Interest charged to PL	0.98	1.26
5	Depreciation charged to PL	5.49	5.63
6	Cancellations charged to PL	-	-
7	**Maturity Profile of Lease Liability**		
	On Demand	-	-
	Less Than 3 Months	1.48	1.52
	3 to 12 Months	2.57	3.82
	1 to 5 years	4.86	6.34
	5 Years & Above	1.38	1.71
	Grand Total	**10.29**	**13.39**
	Details pertaining exemptions availed as Short Term Lease Arrangement and not considered above		
8	During the year charged to P&L	12.74	10.49
9	**Disclosure of undiscounted lease receivables w.r.t. to assets given on Operating lease as a lessor**		
	On Demand	0.10	0.14
	Less Than 3 Months	1.25	1.23
	3 to 12 Months	3.53	3.76
	1 to 5 years	14.33	17.06
	5 Years & Above	0.41	2.14
	Grand Total	**19.62**	**24.33**

NOTE NO. 76 TRADE RECEIVABLES AGEING SCHEDULE (CURRENT/NON - CURRENT)

(₹ Crore)

Particulars	FY 2024-25						
	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed- Considered Good							
Subsidy Receivable		*2557.42	-	9.92	0.08	7.49	2574.91
Trade Receivable	502.42	23.50	0.17	-	-	0.21	526.30
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	0.19	-	-	-	-	0.19

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

(₹ Crore)

Particulars	FY 2024-25						
	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	1.91	1.91
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total-Trade Receivables	**502.42**	**2581.11**	**0.17**	**9.92**	**0.08**	**9.61**	**3103.31**
Less: Provision for ECL							0.73
Less: Provision for Credit Impaired							1.91
Total-Trade Receivables							**3100.67**

* Includes unbilled subsidy amounting to ₹ 1421.70 crores, recognized as per in principle settlement of subsidy claims by DOF FICC and on quantity sold.

(₹ Crore)

Particulars	FY 2023-24						
	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed- Considered Good							
Subsidy Receivable	-	*2928.39	-	15.42	1.90	7.60	2953.31
Trade Receivable	569.00	23.86	0.83	3.88	0.91	0.21	598.69
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	0.29	-	-	-	-	0.29
(iii) (ix) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	1.92	1.92
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

(₹ Crore)

Particulars	FY 2023-24						
	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total-Trade Receivables	**569.00**	**2952.54**	**0.83**	**19.30**	**2.81**	**9.73**	**3554.21**
Less: Provision for ECL							2.62
Less: Provision for Credit Impaired							1.92
Total-Trade Receivables							**3549.67**

* Includes unbilled subsidy amounting to ₹ 2620.52 crores, recognized as per in principle settlement of subsidy claims by DOF FICC and on quantity sold.

NOTE NO. 77 TRADE PAYABLES AGING SCHEDULE

(₹ Crore)

Particulars	FY 2024-25					
	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed MSME	73.41	14.42	0.46	0.04	-	88.33
Undisputed Others	1333.11	684.11	99.35	1.01	4.84	2122.42
Disputed dues – MSME	-	-	-	0.09	-	0.09
Disputed dues - Others	1.45	0.06	-	-	4.17	5.68
Total	**1407.97**	**698.59**	**99.81**	**1.14**	**9.01**	**2216.52**

(₹ Crore)

Particulars	FY 2023-24					
	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed MSME	38.72	16.49	0.14	-	-	55.35
Undisputed Others	1,478.42	387.32	1.66	1.70	4.69	1,873.79
Disputed dues – MSME	-	0.02	0.09	-	-	0.11
Disputed dues - Others	0.03	0.01	-	1.95	4.35	6.34
Total	**1,517.17**	**403.84**	**1.89**	**3.65**	**9.04**	**1,935.59**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 78 DETAILS OF CAPITAL-WORK-IN PROGRESS (CWIP)

(a) CWIP aging schedule outstanding as on 31st March

(₹ Crore)

CWIP	FY 2024-25				
	Amount in CWIP for a period of				TOTAL
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Projects in Progress					
Major Projects	310.67	132.65	0.92	0.28	444.52
Other Projects	124.17	8.86	0.54	1.08	134.65
Total (A)	**434.84**	**141.51**	**1.46**	**1.36**	**579.17**
(b) Projects temporarily suspended					
Major Projects	-	-	-	-	-
Other Projects	-	-	-	-	-
Total (B)	-	-	-	-	-
Grand Total (A+B)	**434.84**	**141.51**	**1.46**	**1.36**	**579.17**

(₹ Crore)

CWIP	FY 2023-24				
	Amount in CWIP for a period of				TOTAL
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Projects in Progress					
Major Projects	228.21	65.66	20.16	13.70	**327.72**
Other Projects	95.35	5.90	0.94	1.33	**103.52**
Total (A)	**323.56**	**71.56**	**21.10**	**15.03**	**431.25**
(b) Projects temporarily suspended					
Major Projects	-	-	-	-	-
Other Projects	-	-	-	-	-
Total (B)	-	-	-	-	-
Grand Total (A+B)	**323.56**	**71.56**	**21.10**	**15.03**	**431.25**

(b.) Details of capital-work-in progress completion schedule, whose completion is overdue or has exceeded its cost compared to its original plan

(₹ Crore)

CWIP	FY 2024-25			
	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
(A.) Projects in Progress*				
Ammonia Storage Tank at Trombay	134.92	-	-	-
Liquid CO2 Plant at Trombay	0.86	-	-	-
ETP Upgradation Project at Thal	15.33	-	-	-
Briquette Fired Boiler in CGP at Thal	25.70	-	-	-
Total (A)	**176.81**	-	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

(₹ Crore)

CWIP	FY 2024-25			
	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
(B.) Projects temporarily suspended	-	-	-	-
Total (B)	-	-	-	-
Grand Total (A+B)	**176.81**	-	-	-

* There has been no cost overrun in respect of above projects.

(₹ Crore)

CWIP	FY 2023-24			
	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
(A.) Projects in Progress*				
KBR FOR AMMONIA-V REVAMP	43.31	-	-	-
ETP Upgradation Project at Thal	51.70	-	-	-
Briquette Fired Boiler in CGP at Thal	14.18	-	-	-
Total (A)	**109.19**	-	-	-
(B.) Projects temporarily suspended	-	-	-	-
Total (B)	-	-	-	-
Grand Total (A+B)	**109.19**	-	-	-

* There has been no cost overrun in respect of above projects.

NOTE NO. 79 DETAILS OF BENAMI PROPERTY HELD

The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(₹ Crore)

Details of such property	Amount	Details of Beneficiaries	Schedule No. of Balance Sheet	Reason not booked	Proceeding details	Nature of proceedings, status and company's view
Not Applicable						

80. Disclosures relating to borrowings availed against security of current assets

Quarterly returns of current assets filed by the company with banks and financial institutions are in agreement with books of accounts.

81. The Company has not been declared willful defaulter by any bank or financial institution or any other lender.

82. There are no material transactions with respect to struck off companies as mentioned under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

83. The Company does not have any charges or satisfaction of charges which are yet to be registered with ROC beyond the statutory period.

84. Provision regarding the number of layers prescribed under Section of Section 2 (87) of the Act read with the Companies (Restriction on number of layers) Rules, 2017 is not applicable.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

85. The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of Income Tax Act, 1961).

86. The Company has not traded or invested in crypto currency or virtual currency during the respective financial year/period.

87. The Company does not have any scheme of arrangements which have been approved by the Competent Authority in terms of Section 230 to 237 of the Companies Act, 2013.

88. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

b. Provide any guarantee, security or like to or on behalf of the Ultimate Beneficiaries.

89. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. irectly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (Ultimate Beneficiaries) or

b. Provide any guarantee, security or the like on the behalf of the Ultimate Beneficiaries.

NOTE NO. 90 ANALYTICAL RATIOS

Sr. No.	Particulars	Numerator	Denominator	Current. Year F.Y. 2024-25	Previous. Year F.Y. 2023-24	Variance	Reason for change if variation more than 25%
1.	Current Ratio	Current Assets	Current Liabilities	1.42	1.45	-2%	
2.	Debt-Equity Ratio	Total Debt	Shareholders' Equity	0.58	0.71	-18%	
3.	Debt Service Coverage Ratio	Earnings available for debt service	Debt service	0.96	1.07	-10%	
4.	Return on Equity (ROE)	Net Profit after Tax	Average Shareholders' Equity	5.16%	4.94%	4%	
5.	Inventory Turnover Ratio	COGS or Sales	Average Inventory	15.24	13.89	10%	
6.	Trade Receivables Turnover Ratio	Revenue from operations	Avg. Accounts Receivables	5.09	5.51	-8%	
7.	Trade Payables Turnover Ratio	Net Credit Purchases	Average Trade Payables	7.45	8.55	-13%	-
8.	Net Capital Turnover Ratio	Revenue from operations	Working Capital	9.13	7.76	18%	-
9.	Net Profit Ratio	Profit after Tax	Revenue from operations	1.43%	1.34%	6%	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

Sr. No.	Particulars	Numerator	Denominator	Current. Year F.Y. 2024-25	Previous. Year F.Y. 2023-24	Variance	Reason for change if variation more than 25%
10.	Return on Capital Employed	EBIT	Capital Employed	7.38%	5.45%	36%	Better Operating profitability and lower borrowings
11.	Return on Investment –Unquoted- Equity & MF	Income generated from investments	Time weighted average investments	8.01%	27.83%	-71%	Decreased Returns from Fair valuation of IPL Shares

91. The standalone financial statements were authorized for issue in accordance with a resolution passed by the Board of Directors on 27th May, 2025.

92. The financial statements as approved by the Board of Directors are subject to audit by Comptroller and Auditor General of India and final approval by its Shareholders.

93. The figures of the previous year have been re-arranged and regrouped wherever necessary and / or practicable to make them comparable with those of the current year and as per Schedule III amendments as mandated by Companies Act, 2013.

94. Events occurring after the Balance sheet date

Board of Directors have recommended a final dividend of ₹ 1.32 per equity share of ₹ 10/- each (P.Y. ₹ 1.24 per equity share of ₹10/- each) i.e. 13.20 % on paid up equity share capital of the Company for the financial year 2024-25 which is subject to approval of Shareholders of the Company. However as per DIPAM Guidelines, Company is required to pay dividend either at 4% of Net Worth or 30% of Profit after tax, whichever is higher and thus exemption is being sought by the Company. Since the Company had also declared and paid a dividend lower than the minimum stipulated dividend for FY 2023-24, it has approached DOF/DIPAM for exemption towards the same which is awaited.

For and on behalf of the Board of Directors
RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED

(S. C. Mudgerikar)
Chairman & Managing Director
DIN : 03498837

(Nazhat Shaikh)
Director (Finance)
DIN : 07348075

(J. B. Sharma)
Company Secretary
Membership No: FCS5030

Dated : 27th May, 2025.
Place: Mumbai

As per our report of even date attached

For K. GOPAL RAO & CO.
Chartered Accountants
Firm Regn. No. 000956S

(Gopal Krishna Raju)
Partner
Membership No: 205929

For PARAKH & CO.
Chartered Accountants
Firm Regn. No. 001475C

(Shalabh Jain)
Partner
Membership No: 441015

Dated : 27th May, 2025.
Place: Mumbai

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

Standalone Segmentwise Revenue & Results for the year ended 31st March 2025

Annexure-1

₹ Crore

Sr. No	Particulars	Fertilizers	Trading	Industrial Chemicals	Unallocated	Total
	SEGMENT REVENUE					
i.	Sales (Incl. Subsidy wherever applicable)	10559.21	4674.59	1654.77	-	**16888.57**
ii.	Other operating Income	31.28	0.54	1.59	11.66	**45.07**
	Total Revenue	10590.49	4675.13	1656.36	11.66	**16933.64**
	SEGMENT RESULT					
i.	Segment Results	115.31	78.39	359.40	(43.63)	**509.47**
ii.	Interest Expense					253.68
iii.	Interest Income					67.34
iv.	**Profit Before Exceptional Items**					**323.13**
v.	Less: Exceptional Item - Expenditure / (Income)					(4.37)
vi.	**Profit before Tax**					**327.50**
vii	Tax - Current					99.00
viii.	Deferred Tax Liability / (Asset)					(10.71)
ix.	Tax adjustments of earlier years (excess) / short					(2.42)
x.	**Net Profit**					**241.63**
	OTHER INFORMATION					
i.	Segment Assets	6901.15	1046.41	634.32	2694.59	**11276.47**
ii.	Segment Liabilities	3167.44	119.43	85.97	3148.46	**6521.30**
	Other Disclosures					
iii.	Capital Expenditure	851.85	-	0.01	5.80	**857.66**
iv.	Depreciation and Amortisation	212.83	-	39.18	6.21	**258.22**
v.	Impairment	9.19	-	(3.88)	-	**5.31**
vi.	Other Non Cash Expenses/(Income)	(2.26)	-	-	1.88	**(0.38)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

Standalone Segmentwise Revenue & Results for the year ended 31st March 2024

₹ Crore

Sr. No	Particulars	Fertilizers	Trading	Industrial Chemicals	Unallocated	Total
	SEGMENT REVENUE					
i.	Sales (Incl. Subsidy wherever applicable)	10969.48	4261.78	1708.65	-	**16939.91**
ii.	Other operating Income	27.91	0.13	1.69	11.67	**41.40**
	Total Revenue	10997.39	4261.91	1710.34	11.67	**16981.31**
	SEGMENT RESULT					
i.	Segment Results	70.88	145.30	213.48	(33.88)	**395.78**
ii.	Interest Expense					183.64
iii.	Interest Income					51.17
iv.	**Profit Before Exceptional Items**					**263.31**
v.	Less: Exceptional Item - Expenditure / (Income)					(40.32)
vi.	**Profit before Tax**					**303.63**
vii	Tax - Current					38.78
viii.	Deferred Tax Liability / (Asset)					63.18
ix.	Tax adjustments of earlier years (excess) / short					(26.07)
x.	**Net Profit**					**227.74**
	OTHER INFORMATION					
i.	Segment Assets	7271.38	1716.36	472.29	2006.35	**11466.38**
ii.	Segment Liabilities	2714.63	511.80	78.54	3545.01	**6849.98**
	Other Disclosures					
iii.	Capital Expenditure	488.02	-	0.08	12.49	**500.59**
iv.	Depreciation and Amortisation	187.29	-	34.75	5.54	**227.58**
v.	Impairment	0.83	-	5.52	-	**6.35**
vi.	Other Non Cash Expenses/(Income)	2.92	-	-	-	**2.92**

* Finance income and costs, and Corporate expenses are not allocated to individual segments as the same are managed on a group basis.

* Current taxes, deferred taxes and write back of excess tax provisions are also not allocated to those segments as they are also managed on a group basis.

* Capital expenditure consists of additions of property, plant and equipment, intangible assets and investment properties.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

Reconciliations to amounts reflected in Financial Statements

₹ Crore

Sr. No.	PARTICULARS	AS AT 31.03.2025	AS AT 31.03.2024
I	**OPERATING REVENUE**		
	Segment Revenue		
	India	16765.17	16969.64
	Outside India	156.81	-
	Segment Reveue	**16921.98**	**16969.64**
	Unallocated - Management fees	11.66	11.67
	Total Operating Revenue	**16933.64**	**16981.31**
II	**RECONCILIATION OF PROFITS**		
	Segment Profit	553.1	429.66
	Add: Interest Income	67.34	51.17
		620.44	**480.83**
	less: Finance Costs	253.68	183.64
	Corporate Expenses (net)	43.63	33.88
	Profit Before Exceptional Items	**323.13**	**263.31**
	Less: Exceptional Item - Expenditure / (Income)	(4.37)	(40.32)
	Profit Before Tax	**327.50**	**303.63**
III	**RECONCILIATION OF ASSETS**		
	Segment Assets	**8581.88**	**9460.03**
	Investments	1104.96	1002.17
	Corprate Assets + CWIP	29.31	29.80
	Non Current Tax Asset	195.82	264.58
	Derivatives (MTM Gain)	9.65	9.72
	Cash & Bank balances	928.3	344.54
	Other assets *	426.55	355.54
	Total Assets	11276.47	11466.38
IV	**RECONCILIATION OF LIAB ILITIES**		
	Segment Liabilities	3372.84	3304.97
	Borrowings Long-Term	923.28	940.39
	Borrowings Short-Term	1828.64	2222.40
	Deferred Tax Liabilities	295.46	305.73
	Other Current Financial Liabilities	87.25	56.08
	Other Non Current Financial Liabilities	0.16	0.47
	Other Liabilities	8.66	19.94
	Total Liabilities	**6521.30**	**6849.98**

* Includes an amount of ₹ 76.30 Crore receivable from Government of India towards Import of Urea on Government Account (P.Y. ₹ 191.72 Crore)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS Financial Statements of **RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED** (hereinafter referred to as "the Holding Company") and its jointly controlled entities comprising of the Consolidated Balance Sheet as at March 31, 2025 the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year ended **March 31, 2025** and notes to the Consolidated Ind AS financial statements, including a summary of the significant accounting policies and other explanatory information. (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Holding Company as at March 31, 2025 and its consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to the following matters:

a) **Note No.46 - Property, Plant and Equipment:**

In respect of immovable properties other than land, i.e. building and other structures situated at its Trombay and Thal units, the Company has self-constructed properties on the land owned by the Company as evidenced by partly property cards/title deeds of land.

b) **Note No. 48 - Gas pooling applicable to Fertilizer (Urea) sector:**

The matter relating to differential claimed by GAIL on account of non-recognition of EPMC gas for the period 2021-22 in the gas pool account and the Spot gas sourced as per DOF directives during 2022-23 and the substitution of the same with cheaper market price gas specifically contracted by the Company for non-urea operations has been represented to DOF and is yet to be settled.

The Company is of the view that EPMC gas / Spot gas is specifically meant for urea operations and thus needs to be subsumed in arriving at the final pool price and the same should be considered in the subsidy of urea, since the cost of gas is a pass through.

As the non-recognition of such EPMC Gas / Spot gas sourced as per DoF's directives for Urea Operations is not in accordance with the principles of gas pooling mechanism, the Company has continued to recognize such differential i.e. (EPMC / Spot gas price – Cheaper market gas price) amounting to Rs 80.57 crore cumulatively till March 2025 (Rs NIL for the quarter) which has been shown as receivable from DoF.

Further, Company has disputed the demand of Rs 52.18 crore raised by GAIL towards pool price differential as against receivable of Rs 71.39 crore for FY 22-23 which has been arrived at on account of non-recognition of EPMC gas/Spot gas in Urea by FICC by substituting EPMC gas/Spot gas with cheaper RLNG gas sourced for non-urea operations. The total disputed amount for the year 2022-23 stands at Rs 123.57 crore. Based on Company's representation DoF has directed GAIL to keep the demand under abeyance and the said matter is under examination by DoF. Total exposure is about to Rs.204.14 crore.

c) **Note No. 50 - Price adversity and Upward/Downward Revision in CFR prices on Imported Phosphatic and Potassic (P&K) fertilizers:**

Directives have been given to Fertilizer CPSE's by Department of Fertilizers (DOF) vide letter No F.21-01/2023-FM dated 21st September, 2023 and to the Company vide letter No. F.21-01/2023-FM dated 8th February, 2024 to ensure availability of Phosphatic and Potassic (P&K) fertilizers in Rabi 2023-24 and undertake such procurement on priority with the assurance that the price adversity if any on such

INDEPENDENT AUDITOR'S REPORT

procurements beyond applicable NBS Subsidy rates will be addressed by DOF to protect at No profit No loss basis. Further, DOF vide File Number 21-01/2023-FM-Part(1) dated 29th May 2024 have also allowed consideration of price adversity beyond applicable NBS rates to ensure No Profit No Loss for unsold inventory and sales yet to be acknowledged in POS by farmers as on 30th September, 2023. The Company has submitted its claim in respect of the above which is under process by DoF for actual sales effected. Accordingly during the nine months ended the Company has recognized such differential based on its estimates amounting to approximately Rs. 175.24 crore towards the same (Rs.Nil for current quarter) towards the price adversity.

Further, additional imports of DAP were also undertaken as per the directives of DOF with assurance vide letter no.21-01/2023-FM dated 12th June 2024 and letter no.21-2/2022-FM(PT) dated 20th August 2024 that the relevant issues will be suitably addressed. Subsequently, DoF vide letter no.23011/124/2024-P&K dated 23rd September 2024 announced an additional one-time package of Rs. 3500 PMT on DAP over and above the subsidy under NBS scheme for the period 1st April 2024 to 31st December 2024. Further, DoF vide letter no.23011/127/2024-P&K dated 1st October 2024 also notified that advantage/disadvantage on upward/downward trend in the CFR prices of shipments to DAP and other P & K fertilizers which arrive w.e.f 1st September 2024 to 31st March 2025 will be addressed vis-a-vis the benchmark rates considered under NBS. Accordingly during the year ended the Company has recognized such differential (i.e. over and above the benchmark price) based on its estimates amounting to Rs 113.60 crore on DAP imports undertaken during 1st September 2024 to 31st March 2025.

d) Note No. 60 - Exceptional Item:

The Company had sold 16,530 sq meters of Transferable Development Rights (TDR) during the year ended 31st March, 2024 and realized a gain of Rs. 25.28 Crores which had been reported as an exceptional item for the year ended 31st March 2024 (Rs Nil during the current year).

Our opinion is not modified in respect of the above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters identified in our audit are:

1. Revenue Recognition and measurement in respect of subsidy income.
2. Estimation of Provision & Contingent Liabilities.
3. Information Technology General Control.

Sr. No.	Key Audit matter	Response to Key Audit Matter
1.	**Revenue recognition and measurement in respect to subsidy income.** Recognition of subsidy is generally made on the basis of in principle recognition/approval /settlement of claims from Government of India/Fertilizer Industry Co-ordination Committee while finalizing the consolidated Ind AS financial statements. During the year, Subsidy adjusted on account of the escalations/de-escalations basis for the year amounts to Rs. 247.88 Crore refundable to FICC/DOF (PY Rs. 409.39 Crore refundable). Such adjustments have been done for escalations/de-escalations in the cost of inputs and other costs, as estimated by the management based on the prescribed norms in line with known policy parameters. MRP of Urea being fixed by Government of India, the Holding Company is entitled for subsidy wherein certain inputs costs are a pass through and compensation for production beyond a level of production known as Reassessed capacity is restricted to lower of Import Parity Price (IPP) of Urea plus other incidental charges which the government	**Our Procedure included:** **Accounting policies and principles:** We have reviewed the Holding Company's accounting policies for Subsidy on Urea as mentioned under "Note A. Statement of Material Accounting policies III) B) Revenue Recognition" of the consolidated Ind AS financial statements and the same is compared with the applicable Ind AS. **Tests of controls:** We have evaluated the design, implementation and operating effectiveness of key controls over recognition of subsidy income. **Tests of details:** We have verified the supporting documentation for determining that the subsidy was recognized in the correct accounting period and as per notified rates. In absence of notified rates, we have verified calculation of estimated rates based on information available with the Holding Company for such costs which are a pass through.

INDEPENDENT AUDITOR'S REPORT

Sr. No.	Key Audit matter	Response to Key Audit Matter
	incurs on imported Urea, or its own concession price, as determined under extant policies for Urea. Further subsidy income is net of adjustments of recoveries towards sale/transfer for surplus ammonia or non-conversion of entire ammonia into Urea. Since there is a time lag between actual expenditure incurred and notification of concession rates for the year, Management exercises significant judgement in arriving at the income entitlement on account of same for the year. Therefore, there is a risk of revenue being misstated on account of errors in estimation of concession/IPP rates yet to be notified, due to absence of notification available and change in methodology/ calculation, if any for arriving at price concession.	In case estimation of income is based on other parameters like IPP of Urea etc. The verification of the same is based on available information, judgments the management made in relation to the notifications/ policies ,subsequent evidence etc as applicable. Testing reasonability of assumptions based on past trends, consistency in application and changes in the same owing to change in Government policies. **Performing substantive analytical procedures: -** Ascertainment and analysis of variations with respect of amounts estimated and actually entitled upon notification with respect to previous years. We also assessed as to whether the disclosures in respect of revenue were adequate.
2	**Estimation of Provision & Contingent Liabilities** In the recognition and measurement of provisions, there is uncertainty about the timing or amount of the future expenditure required to settle the liability. In respect of contingent liabilities, there are estimates and assumptions made to determine the amount to be disclosed as at the year ended 31 March 2025, the amounts involved are significant. There is a high degree of judgement required for the recognition and measurement of provisions and disclosure of contingent liabilities. There is a risk of material misstatement that the estimates are incorrect and that the provisions or contingent liabilities are materially misstated.	**Internal enquiry:** We enquired of the senior management and inspected the minutes of the board and various committees of the board where relevant, for claims arising and challenged whether provisions are required. **Tests of details:** In respect of significant claims, we checked the amount of claim, nature of issues involved, management submissions and corroborated the same with external evidence, where available. **Enquiry and confirmation of lawyers:** In respect of matters which are under dispute, we have assessed opinion of the Holding Company's in-house Legal Department / external lawyers wherever necessary.
3	**Information Technology Controls** A significant part of the Holding Company's financial reporting process is heavily reliant on IT systems with automated processes and controls over the capture, storage and extraction of information. A fundamental component of these processes and controls is ensuring appropriate user access and change management protocols exist and being adhered to. These protocols are important because they ensure that access and changes to IT systems and related data are made and authorised in an appropriate manner. As our audit sought to place a high level of reliance on IT systems and application controls related to financial reporting, high proportion of the overall audit effort was in Information Technology (IT) Systems and Controls. We focused our audit on those IT systems and controls that are significant to the Holding Company's financial reporting process.	We focused our audit on those IT systems and controls that are significant to the Holding Company's financial reporting process. We assessed the design and tested the operating effectiveness of the Holding Company's IT controls including those over user access and change management as well as data reliability. In a limited number of cases, we adjusted our planned audit approach as follows: - We extended our testing to identify whether there had been unauthorized or inappropriate access or changes made to critical IT systems and related data; - Where automated procedures were supported by systems with identified deficiencies, we extended our procedures to identify and test alternative controls; and - Where required, we performed a greater level of testing to validate the integrity and reliability of associated data and reporting Further, We have relied on provisional observations of independent consultant's past reports and the Holding Company's replies to the observations raised by the consultants.

INDEPENDENT AUDITOR'S REPORT

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Holding Company's Annual report but does not include the Consolidated Ind AS Financial Statements and our auditor's report thereon. The Holding Company's Annual report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Holding Company's Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the Act) with respect to the preparation of these Consolidated Ind AS Financial Statements that give a true and fair view of the financial position, the financial performance, total comprehensive income, changes in equity and cash flows of the Holding Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Holding Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Ind AS Financial Statements, the respective management of the Holding Company and its Joint ventures are responsible for assessing the ability of each Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

The respective Board of Directors of the Holding Company and its Joint Ventures are responsible for overseeing the financial reporting process of each Company.

Auditor's responsibilities for the Audit of Consolidated Ind AS Financial Statements

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

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

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

INDEPENDENT AUDITOR'S REPORT

evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS Financial Statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Holding Company and its Joint Ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures and whether the Consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Consolidated Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Ind AS Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Ind AS Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

We also performed procedures in accordance with the circular no. CIR/CFD/CMD1/44/2019 dated 29.03.2019 issued by the SESI under Regulation 33(8) of the listing Regulations, to the extent applicable.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

1) The accompanying Consolidated Ind AS Financial Statement includes the audited financial statements and other financial information in respect of :

   a) As regards Urvarak Videsh limited, a joint venture, whose audited financial statement/information/ results includes the Holding Company's share of net loss of Rs. 0.00 Crore (Rs. 17898) for the year ended 31st March 2025 as considered in the Consolidated Ind AS Financial statements for the year ended 31st March 2025.

   b) As regards Talcher Fertilizers Limited a joint venture whose audited financial statements/ information/results includes the Holding Company's share of net profit of Rs 0.82 Crore for the year ended 31st March 2025 as considered in the Consolidated Ind AS Financial statements for the year ended 31st March 2025.

   c) Pursuant to an order dated January 11, 2024, the National Company Law Tribunal (NCLT) proceedings have been initiated on FACT-RCF Building Products Limited (FRBL) a joint venture entity with a 50:50 partnership between the Company and Fertilizers and Chemicals Travancore (FACT) Limited and an Resolution Professional (RP) has been appointed in place. Further, there is no impact on Company's financial statements, as the Company has made full provision of its investments/dues from FRBL in earlier years.

   Consequent to appointment of RP, the Board of FRBL stands superseded and the promoter Companies have lost the powers to exercise control of the Joint Venture and accordingly, the financials of FRBL is not consolidated.

These financial statement of the above joint venture entities, have been audited by other auditors whose report has been furnished to us by the Management and our opinion on the Consolidated Ind AS financial statements, in so far relates to amounts and disclosures included in respect of Joint Ventures and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid Joint Ventures is based solely on the reports of the other auditors. In our opinion and according to information given to us by management this financial statement is not material to the Holding Company.

Our opinion on the Consolidated Ind AS financial statements and our report on other legal and regulatory requirements below, is not modified in respect of the above three matters with respect to our reliance on work done and reports of other auditors on the financial statements of the two joint ventures .

INDEPENDENT AUDITOR'S REPORT

Report on Other Legal and Regulatory Requirements

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

2. As required by section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such jointly controlled entities as was audited by other auditors as noted in the 'Other Matters' paragraph, we report to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books and reports of other auditors.

   c) The Consolidated Balance sheet, Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements.

   d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

   e) The Holding Company being a government company, the provision of section 164(2) is not applicable in accordance with the Notification No. GSR 463 (E) dated 5th June 2015 issued by MCA. Accordingly, no reporting in regard to Clause 3(g) of section 143 is required.

   f) With respect to the adequacy of the internal financial controls with reference to the Consolidated Ind AS Financial Statements of the Holding Company and its Joint Ventures the operating effectiveness of such controls, refer to our separate report in "**Annexure B**".

3. Non - Compliance of the SEBI Listing Obligation and Disclosure Requirements (LODR) Regulations, 2015 - as per Regulation 17(1)(b), the Chairman being an Executive Director, at least half of the Board of Directors should be comprised of Independent Directors including one Women Independent Director. Currently, the Holding Company does not have required number of Independent Directors on its board. (Refer Note 42.1.3 to the Consolidated Ind AS Financial Statements)

4. In accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   a) The Consolidated Ind AS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Holding Company and its jointly controlled entities – Refer Note 42 to the Consolidated Ind AS Financial Statements;

   b) The Holding Company and its jointly controlled entities has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

   c) There is no delay in transferring the amounts required to be transferred, to the Investor Education and Protection Fund by the Holding Company.

   d) I) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any kind of funds) by the Holding Company or its Joint Venture companies to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

      - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its Joint Venture companies incorporated in India or
      - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

      II) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its Joint Venture companies incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that

INDEPENDENT AUDITOR'S REPORT

the Holding Company or its Joint Venture companies incorporated in India shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

III) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under clause 4 (d) (I) and 4(d) (II) contain any material misstatement.

e) The dividend declared or paid during the year by the Holding Company is in compliance with section 123 of the Act.

5. With respect to the other matters to be included in the Auditor's Report as per section 197 (16) of the Act:

   In accordance with requirements of section 197 (16) of the act as amended: As per notification number G.S.R. 463 (E) dated June 5, 2015 issued by Ministry of Corporate Affairs, Section 197 of the Act as regards the managerial remuneration is not applicable to the Holding Company and its Joint ventures, since it is a Government Company.

6. Based on our examination which included test checks, the Holding company has used an SAP HANA software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of audit we did not come across any instance of audit trail feature being tampered with. [Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.]

For K. Gopal Rao & Co
Chartered Accountants
FRN : 000956S

Gopal Krishna Raju
Partner
M. No.: 205929
UDIN: 25205929BMLDMP8005

For Parakh & Co.
Chartered Accountants
FRN : 001475C

Shalabh Jain
Partner
M. No.: 441015
UDIN: 25441015BMOGET2090

Place: Mumbai
Date: 27th May, 2025

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Para 1 under 'Report on Other Legal & Regulatory Requirements' in our Report of even date.)

As required by paragraph 3(xxi) of the CARO 2020, we report that the auditors of the following companies incorporated in India have given qualification or adverse remarks in their CARO report on the Standalone Ind AS Financial Statements of respective companies to be included in the Consolidated Ind AS financial statements of the Holding Company:

Name of the Entities	CIN	Relationship with Holding Company	Date of respective auditor's report	Paragraph number in the respective CARO 2020 Reports
URVARAK VIDESH LIMITED	U24120DL2008GOI181057	Joint Controlled Entity	May 27,2025	-
TALCHER FERTILIZERS LIMITED	U24120OR2015PLC019575	Joint Controlled Entity	May 19 ,2025	-

Accordingly, no comments for the said Joint venture entity has been included for the purpose of reporting under this clause.

For K. Gopal Rao & Co
Chartered Accountants
FRN : 000956S

Gopal Krishna Raju
Partner
M. No.: 205929
UDIN: 25205929BMLDMP8005

For Parakh & Co.
Chartered Accountants
FRN : 001475C

Shalabh Jain
Partner
M. No.: 441015
UDIN: 25441015BMOGET2090

Place: Mumbai
Date: 27th May, 2025

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Para 1 of the section 'Report on Other Legal & Regulatory Requirements' in our Independent Auditor's Report to the members of the Holding company on the Consolidated Ind AS Financial Statements for the year ended March 31, 2025.)

Report On The Internal Financial Controls Under Clause (I) Of Sub-Section 3 Of Section 143 Of The Companies Act, 2013 ("The Act")

In conjunction with our audit of the Consolidated Ind AS Financial Statements of the Company as of and for the year ended 31 March 2025, we have audited the internal financial controls with reference to Consolidated Ind AS Financial Statements of Rashtriya Chemicals and Fertilizers Limited ("the Holding Company") and its Joint Ventures, which are companies incorporated in India as of March 31, 2025.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its Joint Ventures, which are Companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to the Consolidated Ind AS Financial Statements criteria established by the Holding Company considering the essential components of internal control stated in the 'Guidance Note' issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to Consolidated Ind AS Financial Statement based on our audit. We conducted our audit in accordance with the 'Guidance Note' and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Consolidated Ind AS Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with respect to the Consolidated Ind AS Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the Consolidated Ind AS Financial Statement and their operating effectiveness. Our audit of internal financial controls with reference to the Consolidated Ind AS Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Ind AS Financial Statement, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statement, whether due to fraud or error.

We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors of the Joint Ventures, incorporated in India, in terms of their reports referred to in the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with respect to Consolidated Ind AS Financial Statements.

Meaning of Internal Financial Controls with reference to the Consolidated Ind AS Financial Statements

A company's internal financial controls with reference to the Consolidated Ind AS Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the Consolidated Ind AS Financial Statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Ind AS Financial Statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the Consolidated Ind AS Financial Statements.

Inherent Limitations of Internal Financial Controls With reference to the Consolidated Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to the Consolidated Ind AS Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Consolidated Ind AS Financial Statements to future periods are subject to the risk that the internal financial controls with reference

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

to the Consolidated Ind AS Financial Statements may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our Opinion, to the best of our information and according to explanation given to us, the Holding Company and its Joint Ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to the Consolidated Ind AS Financial Statements in place and such internal financial controls with reference to the Consolidated Ind AS Financial Statements were operating effectively as at 31 March 2025, based on the internal controls over financial reporting criteria established by the Company considering the components of internal control stated in the Guidance Note' on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act, on the adequacy and operating effectiveness of the internal financial controls with respect to Consolidated Ind AS Financial Statements, in so far as it relates to the two jointly controlled entities, namely Talcher Fertilizers Limited, Urvarak Videsh Limited, which are companies incorporated in India, is based solely on the report of the other auditor. Our opinion is not modified in respect of this matter.

For K. Gopal Rao & Co
Chartered Accountants
FRN : 000956S

Gopal Krishna Raju
Partner
M. No.: 205929
UDIN: 25205929BMLDMP8005

For Parakh & Co.
Chartered Accountants
FRN : 001475C

Shalabh Jain
Partner
M. No.: 441015
UDIN: 25441015BMOGET2090

Place: Mumbai
Date: 27th May, 2025

COMMENTS OF THE COMPTROLLER AND AUDITOR GNERAL OF INDIA UNDER SECTION 143(6)(B) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED FOR THE YEAR ENDED 31 MARCH 2025

The preparation of financial statements of **Rashtriya Chemicals and Fertilizers Limited** for the year ended 31 March 2025 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide Audit Report dated 27th May 2025.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of **Rashtriya Chemicals and Fertilizers Limited** for the year ended 31 March, 2025 under section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of **Rashtriya Chemicals and Fertilizers Limited** and of the financial statements of jointly controlled entities - Urvarak Videsh Limited and Talcher Fertilizers Limited but did not conduct the supplementary audit of the financial statements of FACT-RCF Building Products Limited[1], for the year ended on that date.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on the behalf of the
Comptroller & Auditor General of India

Place: New Delhi
Date: 17.09.2025

(Kavita Prasad)
Director General of Audit, Central Expenditure
(Agriculture, Food & Water Resources)

[1] FACT-RCF Building Products Limited, Kochi is under process of Corporate Insolvency Resolution Proceedings by NCLT vide order dated 11.01.2024 as per Insolvency and Bankruptcy Code, 2016 and the Board of Directors was superseded.

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2025

₹ Crore

Particulars	Note No.	As at 31.03.2025	As at 31.03.2024
1. NON CURRENT ASSETS			
(a) Property, Plant and Equipment	1	2891.55	2540.38
(b) Capital Work in Progress	1.4	579.17	431.25
(c) Right of Use Assets	2	9.09	12.14
(d) Investment Property	3	4.21	5.37
(e) Intangible Assets	4	0.57	0.03
(f) Financial Assets			
(i) Investments	5	1095.12	991.51
(ii) Trade Receivables	6	-	-
(iii) Loans	7	-	-
(iv) Others	8	-	-
(g) Other Non-Current Assets	9	451.16	418.45
		5030.87	**4399.13**
2. CURRENT ASSETS			
(a) Inventories	10	1585.59	2582.24
(b) Financial Assets			
(i) Trade Receivables	11	3100.67	3549.67
(ii) Cash and Cash Equivalents	12	987.03	156.49
(iii) Bank Balances other than (ii) above	13	48.71	196.45
(iv) Loans	14	-	5.11
(v) Others	15	164.39	266.40
(c) Other Current Assets	16	349.37	300.23
		6235.76	**7056.59**
TOTAL ASSETS		**11266.63**	**11455.72**
EQUITY AND LIABILITIES			
A. EQUITY			
(a) Equity Share Capital	17	551.69	551.69
(b) Other Equity	18	4193.64	4054.05
		4745.33	**4605.74**
B. LIABILITIES			
1. NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	19	923.28	940.39
(ii) Lease Liabilities	20	6.24	8.05
(iii) Other Financial Liabilities	21	46.54	42.77

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2025

₹ Crore

Particulars	Note No.	As at 31.03.2025	As at 31.03.2024
(b) Provisions	22	225.32	209.24
(c) Deferred Tax Liabilities (Net)	23	295.46	305.73
(d) Other Non-Current Liabilities	24	20.23	23.73
		1517.07	**1529.91**
2. CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	25	1828.64	2342.86
(ii) Lease Liabilities	26	4.05	5.34
(iii) Trade Payables	27		
(A) Total Outstanding Dues of Micro Enterprises and Small Enterprises.		88.42	55.46
(B) Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises.		2128.10	1880.13
(iv) Other Financial Liabilities	28	659.65	616.85
(b) Other Current Liabilities	24	101.90	264.50
(c) Provisions	29	188.46	154.93
(d) **Current Tax Liabilities (Net)**	30	5.01	-
		5004.23	**5320.07**
TOTAL EQUITY AND LIABILITIES		**11266.63**	**11455.72**
Statement of Material Accounting Policies	A		
Notes forming part of Financial Statements	1 - 67		

For and on behalf of the Board of Directors
RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED

(S. C. Mudgerikar)
Chairman & Managing Director
DIN : 03498837

(Nazhat Shaikh)
Director (Finance)
DIN : 07348075

(J. B. Sharma)
Company Secretary
Membership No: FCS5030

Dated : 27th May, 2025.
Place: Mumbai

As per our report of even date attached

For K. GOPAL RAO & CO.
Chartered Accountants
Firm Regn. No. 000956S

(Gopal Krishna Raju)
Partner
Membership No: 205929

For PARAKH & CO.
Chartered Accountants
Firm Regn. No. 001475C

(Shalabh Jain)
Partner
Membership No: 441015

Dated : 27th May, 2025.
Place: Mumbai

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2025

₹ Crore

Particulars		Note No.	Year ended 31.03.2025	Year ended 31.03.2024
I.	Revenue from Operations	31	16933.64	16981.31
II.	Other Income	32	164.82	165.43
III.	**Total Income (I+II)**		**17098.46**	**17146.74**
IV.	**Expenses:**			
	Cost of Materials Consumed	33	5821.61	6348.50
	Purchases of Stock in Trade	34	3712.58	4311.12
	Changes in Inventories of Finished Goods and Stock in Trade	35	749.03	(526.44)
	Employee Benefits Expense	36	597.92	542.78
	Finance Costs	37	253.68	183.64
	Depreciation and Amortization Expense / Impairment	38	262.76	233.10
	Other Expenses	39	5377.75	5790.73
	Total Expenses		**16775.33**	**16883.43**
V.	**Profit Before Exceptional Items (III-IV)**		**323.13**	**263.31**
VI.	**Share of Profit / (Loss) of Associates / JV's**		**0.82**	**(2.46)**
VII.	**Profit Before Exceptional Items (V-VI)**		**323.95**	**260.85**
VIII.	Exceptional Items	40	(4.37)	(40.32)
IX.	**Profit before tax (VII-VIII)**		**328.32**	**301.17**
X.	**Tax Expense**			
	(1) Current Tax		99.00	38.78
	(2) Deferred Tax		(10.71)	63.18
	(3) Taxation Adjustment of Earlier Years Excess(-)/Short(+)		(2.42)	(26.07)
XI.	**Profit/ (loss) for the year (IX-X)**		**242.45**	**225.28**
XII.	**Other Comprehensive Income**	41		
	(i) Items that will not be reclassified to profit or loss			
	Remeasurements of Defined Benefit Plans		(46.65)	(24.45)
	Fair Value Equity Instruments		1.75	22.48
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	Income Tax on Remeasurement of Defined Benefit Plans		10.89	2.08
	Deferred Tax on Fair Value Equity Instruments		(0.44)	(5.65)
	Other Comprehensive Income for the Year (XII)		**(34.45)**	**(5.54)**
XIII.	**Total Comprehensive Income for the Year (XI+XII)**		**208.00**	**219.74**
XIV.	Earnings Per Equity Share	56		
	(i) Basic Earnings Per Share (₹)		4.39	4.08
	(ii) Diluted Earnings Per Share (₹)		4.39	4.08
	Statement of Material Accounting Policies	A		
	Notes forming part of Financial Statements	1-67		

For and on behalf of the Board of Directors
RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED

(S. C. Mudgerikar)
Chairman & Managing Director
DIN : 03498837

(Nazhat Shaikh)
Director (Finance)
DIN : 07348075

(J. B. Sharma)
Company Secretary
Membership No: FCS5030

Dated : 27th May, 2025.
Place: Mumbai

As per our report of even date attached

For K. GOPAL RAO & CO.
Chartered Accountants
Firm Regn. No. 000956S

(Gopal Krishna Raju)
Partner
Membership No: 205929

For PARAKH & CO.
Chartered Accountants
Firm Regn. No. 001475C

(Shalabh Jain)
Partner
Membership No: 441015

Dated : 27th May, 2025.
Place: Mumbai

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2025

A. EQUITY SHARE CAPITAL

₹ Crore

Balance as at 01.04.2024	Changes in equity share capital during the year	Balance as at 31.03.2025	Balance as at 01.04.2023	Changes in equity share capital during the year	Balance as at 31.03.2024
551.69	-	551.69	551.69	-	**551.69**

B. OTHER EQUITY

FOR THE YEAR ENDED 31st March 2025

₹ Crore

	Reserves and Surplus		Items of Other Comprehensive Income	Total
	General Reserve (Refer Note 18)	Retained Earnings (Refer Note 18)	Equity Instruments through Other Comprehensive Income(Refer Note 18)	
Balance as at 01.04.2024	**3964.45**	**-**	**89.60**	**4054.05**
Changes in accounting policy/prior period errors	-	-	-	-
Restated balance at the beginning of the reporting period	**3964.45**	-	89.60	**4054.05**
Profit for the year	-	242.45	-	**242.45**
Other Comprehensive Income (Net of Tax)	-	(35.76)	1.31	**(34.45)**
Total Comprehensive Income for the year	-	**206.69**	**1.31**	**208.00**
Dividend paid Refer note no. 18A	-	(68.41)	-	**(68.41)**
Transfer to General Reserve	138.28	(138.28)	-	-
Balance as at 31.03.2025*	**4102.73**	**-**	**90.91**	**4193.64**

FOR THE YEAR ENDED 31ST MARCH 2024

₹ Crore

	Reserves and Surplus		Items of Other Comprehensive Income	Total
	General Reserve (Refer Note 18)	Retained Earnings (Refer Note 18)	Equity Instruments through Other Comprehensive Income(Refer Note 18)	
Balance as at 01.04.2023	**3965.66**	**-**	**72.77**	**4038.43**
Changes in accounting policy/prior period errors	-	-	-	-
Restated balance at the beginning of the reporting period	**3965.66**	-	**72.77**	**4038.43**
Profit for the year	-	225.28	-	**225.28**
Other Comprehensive Income (Net of Tax)	-	(22.37)	16.83	**(5.54)**
Total Comprehensive Income for the year	-	**202.91**	**16.83**	**219.74**

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

	Reserves and Surplus		Items of Other Comprehensive Income	Total
	General Reserve (Refer Note 18)	Retained Earnings (Refer Note 18)	Equity Instruments through Other Comprehensive Income(Refer Note 18)	
Dividend paid Refer note no. 18A	-	(204.12)	-	**(204.12)**
Transfer from General Reserve	(1.21)	1.21	-	**-**
Balance as at 31.03.2024*	**3964.45**	**-**	**89.60**	**4054.05**

* The closing balance in General Reserve is arrived after adjustment of Remeasurement of Defined Benefit Plans ammounting to ₹ 35.76 crore (P.Y. ₹ 22.37 crore) during the year net of current tax amounting to ₹ 10.89 crore (P.Y. ₹ 2.08 crore)

Nature and purpose of reserves

a. **General Reserve:** General reserve represents appropriation of profits. This represents a free reserve and is available for dividend distributions. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to the statement of profit and loss.

b. **Retained Earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

c. **Equity Instruments through Other Comprehensive Income Reserve:** This reserve represents the cumulative gains and losses arising on the revaluation of equity and debt instruments on the balance sheet date measured at fair value through other comprehensive income. The reserves accumulated will be reclassified to retained earnings and profit and loss respectively, when such instruments are disposed.

For and on behalf of the Board of Directors
RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED

(S. C. Mudgerikar)
Chairman & Managing Director
DIN : 03498837

(Nazhat Shaikh)
Director (Finance)
DIN : 07348075

(J. B. Sharma)
Company Secretary
Membership No: FCS5030

Dated : 27th May, 2025.
Place: Mumbai

As per our report of even date attached

For K. GOPAL RAO & CO.
Chartered Accountants
Firm Regn. No. 000956S

(Gopal Krishna Raju)
Partner
Membership No: 205929

For PARAKH & CO.
Chartered Accountants
Firm Regn. No. 001475C

(Shalabh Jain)
Partner
Membership No: 441015

Dated : 27th May, 2025.
Place: Mumbai

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2025

₹ Crore

Particulars		Year Ended 31.03.2025		Year Ended 31.03.2024	
A	**Cash Flow From Operating Activities**				
	Net Profit Before Tax		328.32		301.17
	Adjustments for :				
	Share of (Profit) / Loss from Joint Ventures	(0.82)		2.46	
	Exceptional Items - (Income)/ Expenses	(4.37)		(40.32)	
	Depreciation/Amortisation/Loss on Impairment of Assets	263.53		233.93	
	(Profit) / Loss on Sale of Property, Plant and Equipment / Intangible Assets	0.64		1.38	
	Interest Income	(42.19)		(43.04)	
	Dividend Income	(0.50)		(0.47)	
	Rental Income Derived from Investment Properties	(39.69)		(38.35)	
	(Gain) / Loss on Sale of Current Investments	(6.86)		(9.64)	
	Interest and Finance Charges	253.68		183.64	
	Provision for Bad/Doubtful Debts	0.03		2.40	
	Provision for Obsolescence Stores	(0.41)		0.52	
	Provision Written Back	(9.98)		(10.41)	
	Unrealised Foreign Exchange (Gain) /Loss	13.13		3.32	
			426.19		**285.42**
	Operating Profit Before Working Capital Changes		754.51		586.59
	Adjustments for :				
	Trade Receivables and Other Assets	551.70		(1147.43)	
	Inventories	1005.03		10.87	
	Trade Payables and Other Liabilities	115.58		197.70	
			1672.31		(938.86)
	Cash Generated / (Used) from Operations		2426.82		(352.27)
	Direct Taxes Paid (Net of Refunds)		(63.00)		(70.00)
	Net Cash Generated / (Used) from Operating Activities ------ A		**2363.82**		**(422.27)**
B	**Cash Flow from Investing Activities**				
	Additions to Property, Plant and Equipment / Intangible Assets (Net of Trade Credit)	(827.34)		(482.34)	
	Sale of Property, Plant and Equipment / Intangible Assets	1.95		1.42	
	Purchase of Current Investments	(5484.73)		(5285.74)	
	Investments in Joint Ventures	(96.67)		-	
	Sale of Current Investments	5491.59		5295.38	
	Sale of Transferable Development Rights	(0.00)		63.02	
	Inter Corporate Advances / Repayments	5.10		5.10	
	Interest Received	41.62		42.80	
	Dividend Received	0.50		0.47	
	Rental Income Derived from Investment Properties	39.69		38.35	
	Margin Money Deposits Matured / (Placed) with Banks	147.74		(142.91)	
			(680.55)		**(464.45)**
	Net Cash Generated / (Used) from Investing Activities ----- B		**(680.55)**		**(464.45)**

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2025

₹ Crore

Particulars	Year Ended 31.03.2025		Year Ended 31.03.2024	
C Cash Flow from Financing Activities				
Net Proceeds /Repayment of Working Capital Facilities and Short Term Loans	(693.25)		1159.92	
Proceeds from Term loans	600.00		444.38	
Repayments of Term loans	(446.59)		(183.70)	
Interest Paid	(237.95)		(178.35)	
Dividend Paid	(68.41)		(203.81)	
Repayment of Lease liabilities	(6.53)	(852.73)	(6.53)	1031.91
Net Cash Generated / (Used) from Financing Activities ----- C		**(852.73)**		**1031.91**
Net Increase/Decrease(-) in Cash and Cash Equivalent (A+B+C)		830.54		145.19
Cash and Cash Equivalents as at 1st April (Opening Balance)		156.49		11.30
Cash and Cash Equivalents as at 31st March (Closing Balance)		987.03		156.49
Components of Cash and Cash Equivalents				
Cash on Hand		-		-
Balance With Scheduled Banks				
in Current Accounts		237.03		156.49
in Term Deposits with Less Than 3 Months Maturity		750.00		-
		987.03		**156.49**

Note:

1. The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows and presents cash flows by operating, investing and financing activities.
2. Figures of the previous year have been regrouped / rearranged wherever necessary to make it comparable to the current year presentation
3. The cash credit facilities availed from bank are part of financing activity which do not form part of cash and cash equivalents for Cash Flow Statement purpose.

For and on behalf of the Board of Directors
RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED

(S. C. Mudgerikar)
Chairman & Managing Director
DIN : 03498837

(Nazhat Shaikh)
Director (Finance)
DIN : 07348075

(J. B. Sharma)
Company Secretary
Membership No: FCS5030

Dated : 27th May, 2025.
Place: Mumbai

As per our report of even date attached

For K. GOPAL RAO & CO.
Chartered Accountants
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Partner
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For PARAKH & CO.
Chartered Accountants
Firm Regn. No. 001475C

(Shalabh Jain)
Partner
Membership No: 441015

Dated : 27th May, 2025.
Place: Mumbai

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

I) Corporate information

The Company is a public company domiciled in India and is incorporated under provisions of the Companies Act applicable in India. Its shares are listed on two recognized stock exchanges in India. The registered office of the Company is located at Priyadarshini, Eastern Express Highway, Sion Mumbai 400022.

The Company is engaged in the manufacturing and marketing of fertilizers and industrial chemicals.

The consolidated financial statements are approved for issue by the Company's Board of Directors on May 27th, 2025.

II) Basis of preparation and consolidation

a. The consolidated financial statements of the Company and its joint controlled entities have been prepared in accordance with accounting standards prescribed under Section 133 of the Companies Act 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards)(Amendment) Rules, 2016 and other relevant provisions of the Act. The Company has consistently applied accounting policies to all periods.

b. The consolidated financial statements have been prepared under the historical cost and on accrual basis, except for the following:-

- Certain financial assets and liabilities (including Derivative financial instruments) measured at fair value. (Refer to Material accounting policies at item no "M")
- Certain provisions recognized using actuarial valuation techniques. (Refer to Material accounting policies at item no "P")
- Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. (Refer to Other Significant accounting policies at item no "H")
- Transferable Development Rights (TDRs) received upon surrender of rights on open land which are measured at fair value. (Refer to Material accounting policies at item no "M")

c. The consolidated financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest crores (₹ 00,00,000), except when otherwise indicated.

d. The Company changes the presentation or classification of items in its Financial Statements upon being material and further reclassifies comparative amounts, unless impracticable. No such material reclassification has been made during the year.

e. The consolidated financial statements relate to the Company [Rashtriya Chemicals & Fertilizers Ltd.] and Jointly Controlled Entities, viz. [Urvarak Videsh Ltd. (UVL) and Talcher Fertilizers Limited.(TFL)].

Accounting Convention:

The accounting policies have been consistently applied by the Company and its Jointly Controlled Entities and are consistent with those used to prepare the opening balance sheet as at the transition date.

The financial statements of the Jointly Controlled Entities used in the consolidation are drawn up to the same reporting date as of the Company i.e. for the year ended 31st March 2025.

Principles of Consolidation:

The financial statements of Jointly Controlled Entities are combined by applying equity method in accordance with Ind AS 28 -"Investment in Associates and Joint Ventures".

The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate Financial Statements. Differences in accounting policies followed by joint venture entity consolidated have been reviewed and no adjustments have been made, since the impact of these differences is not material.

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

The following Jointly Controlled Entities are considered in the consolidated financial statements:

Name of the Company	Country of Incorporation	Proportion of Ownership Interest as on 31.03.2025	Date of the entity becoming Joint Venture
Urvarak Videsh Limited	India	33.33%	18-July-2008
Talcher Fertilizers Limited	India	33.33%	13-Nov-2015

National Company Law Tribunal (NCLT) proceedings have been initiated vide order dated January 11, 2024 on FACT-RCF Building Products Limited (FRBL) [Joint Venture of RCF and FACT] and a Resolution Professional (RP) has been appointed in place in January 2024.Consequent to appointment of RP, the Board of FRBL stands superseded and the promoter Companies have lost the powers to exercise control of the Joint Venture and accordingly, the financials of FRBL is not consolidated in accordance with Ind AS 110.

e. Significant Accounting Judgements, Estimates and Assumptions

1.1 The preparation of the Company's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities as at the Balance Sheet date.

1.2 Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Any revisions to the accounting estimates are recognized prospectively when revised, in current and future periods.

Some of the significant judgements and assumptions exercised are given as under:-

1.2.1 Impairment of Non-Financial Assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed separately.

1.2.2 Taxes

The Company's tax jurisdiction is in India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

1.2.3 Defined Benefit Plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of government bonds in India.

The mortality rate is based on publicly available mortality tables as defined by LIC. Future salary increases is based on Company's assessment based on past trends.

1.2.4 Subsidy Income

As per extant policies covering subsidy of Urea, major inputs like cost of energy, water etc. are a pass through in the same. Since the notified rates of subsidy of urea incorporating actual revision takes time, recognition of subsidy is generally made on the basis of in principle recognition/approval /settlement of claims from Government of India/Fertilizer Industry Co-ordination Committee while finalising the financial statements. As per management estimates, there is reasonable certainty based on Government of India policies and past experience that claims will be notified in due course.

1.2.5 Provision for Obsolescence

Provision towards obsolete/surplus inventory are recognized as per management estimates under the assumption that they may fetch 5% of their book value upon disposal.

1.2.6 Fair Value Measurements of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Changes in assumptions could affect the reported value of fair value of financial instruments.

1.2.7 Application of Discount Rates

Estimates of rates of discounting are done for measurement of fair values of certain financial assets and liabilities, which are based on prevalent bank interest rates and the same are subject to change.

1.2.8 Estimates of Useful lives of Assets/Components

Company has identified significant components of plant and machinery and provides for depreciation over their useful lives as per its technical assessment.

1.2.9 Operating Lease

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 the fulfilment of the arrangement is depend 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.

Lease arrangements in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases.

The company has applied Ind AS 116 –Leases for ascertainment of the same.

1.2.10 Interest Income from Department of Fertilizer towards import of Urea

Interest income includes interest as estimated by the Company towards delayed settlement of dues by Government of India, as per terms of MoU entered for carrying out import of Urea on behalf of Government of India.

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

III) Material accounting policies

A) Fair Value Measurement

The Company measures financial instruments, such as, derivatives, investments in equity instruments, Transfer Development Rights etc. at fair value at each balance sheet date.

Fair value is the price that would be received upon sell of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between the levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties, unquoted financial assets etc. Involvement of independent external valuers is decided upon annually by the Company. Further such valuation is done annually at the end of the financial year and the impact if any on account of such fair valuation is taken in the annual financial statements.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

B) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made/received.

Revenue is recognized upon transfer of control of promised products and services to customers in an amount that reflects the consideration expected to be received in exchange for those products or services.

Revenue, including subsidy, in respect of sale of goods is recognized when control of the goods has transferred, being when the goods are delivered to the buyer, the buyer has full discretion over the goods and there is no unfulfilled obligation that could affect the buyer's acceptance of the goods.

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold, and services rendered is net of variable consideration on account of various discounts offered by the Company as part of the contract, goods and service tax and amounts collected on behalf of third parties. Any change in the estimated amount of obligation of discount is accounted in the period in which the change occurs.

Subsidy

Recognition of Subsidy is generally made on the basis of in principle recognition/ approval/ settlement of claims from Government of India /Fertilizer Industry Co-ordination Committee.

Concessions in respect of Urea as notified under the New Pricing Scheme is recognized with adjustments for escalation/de-escalation in the prices of inputs and other adjustments as estimated by the management in accordance with the known policy parameters in this regard as notified by Government of India.

Subsidy on P&K fertilizers is recognized based on applicable Concession rates and any additional compensation as notified by the Government of India under Nutrient Based Subsidy Scheme from time to time and settled during the year.

Subsidy on imported Urea is recognized based on lump sum compensation, and other charges receivable from the Government of India, as per terms of agreement.

Uniform freight subsidy on Urea, P&K fertilizers and Imported Urea has been accounted in accordance with the parameters and notified rates.

Subsidy on City Compost is recognized based on rates, as notified by the Government of India.

Subsidy income is recorded based on the quantity sold.i.e. when control of goods has been transferred to the buyer during the financial year.

Other Operating revenue/other income are recognized on accrual basis.

Income from sale of Certified Emissions Reductions (CER's)/Voluntary Emissions Reductions (VER's)/ Renewable Energy Certificates (REC's) is recognized on delivery and confirmation of the same by the concerned authorities.

C) Taxation

Income tax expense for a financial year represents the sum of tax currently payable, adjustments for tax provisions of previous years and deferred tax.

a. Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax items are recognized in correlation to the underlying transaction either in Other Comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b. Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profits will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting period.

c. Current Tax and Deferred Tax

Current and Deferred tax are recognized in Statement of Profit and loss, except when they relate to items that are recognized in Other Comprehensive Income (OCI) or directly in equity, in which case , the current and deferred tax are also recognized in OCI or directly in equity respectively.

d. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate taxable entity and the same taxation authority.

D) Property, Plant and Equipment

All items of property, plant and equipment, including freehold land are initially recorded at cost, net of recoverable taxes and discounts.

The cost includes the cost of replacing part of the property, plant and equipment meeting the recognition criteria and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment up to the date of commissioning of the assets.

In accordance with Ind AS 16- Property, Plant and Equipment commissioning expenses directly attributable to project is recognized under Capital Work in Progress (CWIP).

Subsequent to initial recognition, property, plant and equipment other than freehold land are measured at cost less accumulated depreciation and any accumulated impairment losses. The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Spares costing (Unit value of ₹ 10 lacs and above), and other components which are required to be replaced at intervals, meeting the recognition criteria have been classified as Plant and equipment and are depreciated separately based on their specific useful lives.

When a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred.

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Catalysts which are used in commissioning of new projects/plants are capitalized and are amortized based on the estimated useful life of 1 to 9 years, as technically assessed. Subsequent issues of catalysts, if any, are treated as inventory.

Projects under which assets are not ready for their intended use are shown as Capital work in progress.

Freehold / Leasehold improvements are considered as property plant and equipment.

Depreciation

Depreciation is calculated on a Straight-line basis over the estimated useful lives of each item of property, plant and equipment as estimated by the management and charged to Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013.

Depreciation on additions/deletions to Gross Block is calculated on pro-rata basis from the date of such additions and upto the date of such deletions.

Depreciable amount is the cost of an asset, or other amount substituted for cost, less its residual value. A maximum residual value of 5% is considered for all assets, except for certain assets/asset classes wherein it is considered to be nil.

The estimate of useful life of the assets has been assessed based on technical evaluation which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc.

A major portion of the plant and equipment of the Company has been considered as continuous process plant.

The estimated useful life of items of property, plant and equipment is mentioned below:

S.no.	Assets	Useful Lives (In Years)
1	Plant and Equipments	1 to 25
2	Office Equipments	1 to 10
3	Furniture and Fixtures	1 to 10
4	Electrical Equipments	1 to 25
5	Factory Building and Other Buildings	1 to 60
6	Vehicles	8
7	Information Technology Equipments	3 to 6
8	Other Miscellaneous Equipments	1 to 25

Freehold land has an unlimited useful life and therefore is not depreciated.

After recognition of impairment loss, the revised carrying amount less residual value of the impaired asset would be depreciated on systematic basis over the remaining useful life of the asset. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

Depreciation on each item of an asset costing less than ₹ 5,000 are depreciated at 100% in the year of capitalization.

The residual values and useful life of property plant and equipment are reviewed at each financial year and adjusted prospectively, if any.

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of profit and loss in the year the asset is de-recognized.

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

Assets under construction/Capital Work in Progress included under Property, Plant and equipment are not depreciated as these assets are not yet available for use. However, they are tested for impairment if any.

E) Investment Properties

Investment properties are properties that are held to earn rentals and /or for capital appreciation (including property under construction for such purposes) and not occupied by the Company for its own use.

Investment properties are measured initially at cost, including transaction costs and net of recoverable taxes. The cost includes the cost of replacing parts and borrowing costs if recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation on Investment property, wherever applicable, is provided on straight line basis as per useful lives prescribed in Schedule II to Companies Act 2013.

Investment properties are derecognised either when they have been disposed of or when they are being occupied by the Company for its own use or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

F) Intangible Assets

a. Recognition and Measurement

Intangible assets acquired separately are measured on initial recognition at cost, net of recoverable taxes. The cost of intangible assets comprises its purchase price, and any cost directly attributable to bringing the asset to its working condition for the intended use. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

The Company has no intangible assets with infinite useful lives.

b. Amortization

Intangible assets (i.e. software applications) having finite useful lives are amortized over their respective individual estimated useful lives on a Straight-Line Basis, pro-rata from the date the asset is available to the Company for its use. Management estimates the useful life of software applications identified as intangible assets as three years. Any expenses incurred on intangible assets with finite useful lives up to ₹ 1 lakh in each case are being charged off in the year of incurrence.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

G) Impairment of Non-Financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from assets or group of assets (cash-generating units). If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account.

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

The Company bases its impairment calculation on detailed budgets and forecasts which are prepared for each of its CGU separately.

For all the assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the CGU's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the CGU does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the CGU's in prior years. Such reversal is recognized in the Statement of Profit and Loss.

Impairment losses of continuing operations, including impairment on inventories and right of use assets, are recognized in the Statement of profit and loss.

H) Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are accumulated and capitalized up to the date when such assets are ready for their intended use or sale, as part of the cost of the asset.

All other borrowing costs are expensed in the period in which they occur.

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

General Borrowings cost incurred in connection with qualifying assets are capitalized by applying the Capitalization rate on the quantum of such borrowings utilized for such assets.

I) Leases

The Company evaluates each contract or arrangement at inception, whether it qualifies as lease as defined under Ind AS116 - Leases. i.e., if the contract conveys the right to control the use of asset for a period of time in exchange for consideration.

The Company as a Lessee

The Company assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves–

(a) the use of an identified asset,

(b) the right to obtain substantially all the economic benefits from use of the identified asset, and

(c) the right to direct the use of the identified asset.

The Company at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets.

Right of use assets

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

The Right to use assets are also subject to impairment as described in the polices with respect to the impairment of non-financial assets.

For lease liabilities at inception, the Company measures the lease liability at the present value of the lease payments to be made over the lease term. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in the statement of Profit and loss.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

Lease payments are classified in the Cash flow statement as cash flows relating to financing activities.

J) Inventories

a. Assessment of Inventory

Raw Materials, Intermediary Products, By-Products and Finished Products inside factory premises, in bulk form, are assessed by survey method on a date as close as possible to the Balance Sheet date and the shortages /excesses in the quantities as compared to book stocks are adjusted in the books. Finished goods and other inventory stored outside the factory premises are taken as per warehousing certificates and third- party confirmations respectively.

b. Mode of Valuation

Inventory is valued at lower of cost and net realizable value except in case of by-products, which are valued at, net realizable value. However, materials and other items held for use in the production of finished goods are not written down below cost if the finished products in which they will be incorporated /consumed are expected to be sold at or above cost.

Gases and slurries, if any, in pipelines at different stages of process are not valued as the same is not practicable.

Certified Emission Reductions (Carbon credits), Renewable Energy Certificates (REC) and Energy Savings Certificates (E-certs) are valued at lower of cost and net realizable value.

Energy Savings Certificates (E-certs) purchased to meet the Renewable Purchase Obligation (RPO) through Power Exchanges are expensed out during the year.

c. Basis of Cost

The cost of manufactured finished goods, traded goods and intermediary products are arrived at based on weighted average cost. Bifurcation of cost of joint products is made on technical estimates.

Cost of raw materials, petroleum products, packing materials, stores and spares, and loose tools is determined on weighted average cost basis.

Provision is made in respect of raw materials, packing materials, stores and spares and petroleum products, wherever appropriate, based on technical estimates, to reflect the impact of obsolescence, damage or other diminution in value.

d. Measurement of Cost / Realizable Value

Cost of Purchases

Cost of purchase includes duties, taxes (net of those recoverable) freight and other expenses net of trade discounts, rebates and price adjustments.

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

Cost of Manufactured goods

Cost of Manufactured Goods comprises of direct cost, variable production overheads and fixed production overheads on absorption costing method. Catalysts issued are charged off over their estimated useful lives as technically assessed ranging from 1 to 9 years. Variable production overheads are allocated based on actual production. Variable overheads related to movement of finished products are allocated based on actual dispatches. Fixed overheads are allocated based on higher of the actual production level or normal production level on a consistent basis. Average handling and transportation costs incurred to bring the material in its present location and condition is included in valuing stocks in field warehouses and in transit.

Cost of Traded Fertilizers

It comprises of Cost of Purchases as defined under para (J)(d) plus bagging, handling and transportation costs incurred to bring the material in its present location and condition.

Net Realizable Value

Price of urea is administered by the Government of India by which selling price is fixed for the buyer. The net realizable value for manufactured urea is taken at the applicable price concession (selling price net of dealers' margin plus the applicable subsidy from Government of India) net of variable selling and distribution cost. Net realizable value of off-spec urea is taken at 40% of MRP excluding subsidy.

The net realizable value of phosphatic and potassic fertilizers is taken at the applicable selling prices expected to be realized, net of dealers' margin and variable selling and distribution costs, plus the concession as fixed/to be fixed by Government. Net realizable value of off-spec phosphatic and potassic fertilizers is taken at selling price net of dealers' margin and estimated cost of re-processing including transportation cost to factory. The net realizable value of off-spec traded phosphatic and potassic out fertilizers is at 30% of MRP excluding subsidy.

Average freight incurred on despatches from silo/factory/ port to godown and other products handling costs is reduced for arriving at the net realizable value in respect of stocks of fertilizers in silo/factory/ port.

The net realizable value of non-fertilizer products is taken at lowest selling prices net of variable selling and distribution costs , expected to be realized in future.

K) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When a provision is expected to be reimbursed, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as finance cost.

L) Contingencies

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises where a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognized but are disclosed where an inflow of economic benefits is probable. The estimation of financial effect in respect of contingent liabilities and contingent assets wherever not practicable, is not disclosed and such fact is accordingly stated.

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

M) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a. Financial Assets

Initial Recognition and Measurement

All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial assets. However, trade receivables that do not contain a significant financing component are measure at transaction price.

Subsequent Measurement

Financial assets presently held by the Company are classified as under:-

- Debt instruments at amortized cost
- Debt instruments, TDRs and derivatives at Fair Value Through Profit or Loss (FVTPL)
- Equity instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI)

i. Debt Instruments at Amortized Cost

A 'debt instrument' is measured at the amortized cost if both of the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the statement of profit or loss. This category generally applies to trade and other receivables.

ii. Debt Instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit or loss.

iii. Equity Investments

All equity investments in scope of Ind AS 109 – Financial Instruments are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may decide to classify the same as at FVTOCI. The Company makes such election on an instrument-by-instrument basis upon on initial recognition and same is irrevocable.

Upon classification of equity instruments as at FVTOCI, all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investments. The Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit or loss.

Investments in Joint ventures, subsidiaries and associates are recognized at cost.

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

iv. Derivative Financial Instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest and foreign exchange rate risks, like foreign exchange forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognized at fair value on the date the derivative contracts are entered into and are subsequently re-measured to their fair value (Mark to Market) at the end of each reporting period. The resulting gain or loss is recognized in the Statement of profit and loss. Company does not designate any of its derivative instruments as hedge instruments. Derivatives are carried as financial assets when fair value is positive and as financial liabilities when the fair value is negative.

Transaction costs incurred for such derivative instruments are charged off to Statement of Profit and Loss on initial recognition.

Derecognition

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of Financial Assets

In accordance with Ind AS 109 – Financial Instruments, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

i. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

ii. Lease receivables

iii. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 – Revenue From Contracts with Customers.

iv. Financial guarantee contracts which are not measured as at FVTPL

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls) discounted at the original effective interest rate.

While estimating cash flows, Company considers all contractual terms of financial instrument over the expected life of the financial instrument including cash flows from the sale of collateral held that are integral to contractual terms.

In case of Trade receivables the Company has used a practical expedient as permitted under Ind AS 109 – Financial Instruments. This expected credit loss allowance is computed based on a provision matrix which takes in account historical credit loss experience with adjustments for collaterals available and forward looking information, if required.

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

Expected Credit Loss (ECL) allowance is not recognized on Subsidy receivables since they are due from Government of India and also on other receivables which are largely due from Government agencies, as the Company does not perceive any risk of default which would be material.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, trade receivables and lease receivables.
- ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet.
- The allowance reduces the net carrying amount, until the asset meets write-off criteria.
- Trade receivables, other receivables, loans and advances are also fully provided for as doubtful upon review on case to case basis, to the extent of such loss considered as incurred.

b. Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition as loans and borrowings, payables, derivatives and financial liabilities at fair value through profit or loss. The Company's financial liability consists of trade and other payables, loans and borrowings, bank overdrafts, financial guarantee contracts and derivative financial instruments.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs, if any.

Subsequent Measurement

The subsequent measurement of financial liabilities of the Company depending on their classification is described below:-

i. **Loans and Borrowings including Bank Overdrafts**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

This category generally applies to interest-bearing loans and borrowings.

ii. **Financial Guarantee Contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder of the guarantee for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS109 – Financial Instruments and the amount recognized less cumulative amortization.

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

N) Cash and cash equivalents

Cash and cash equivalents comprise of cash at banks and on hand and short-term deposits with a maturity of three months or less. For the purpose of the cash flow statement, cash and cash equivalents include cash on hand, in banks, demand deposits with banks and other short term highly liquid investments, net of outstanding overdrafts that are repayable on demand and are considered part of the Company's cash management system.

O) Government Grants

Government grants are not recognized until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognized in statement of profit and loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate and are presented within other income.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognized in profit or loss in the period in which they become receivable.

Government grants relating to purchase of property, plant and equipment are included in Other non-current liabilities and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

In the event of such property, plant and equipment being disposed off before completion of its estimated useful life, the outstanding amount of such capital grant is fully credited to profit or loss in the year of its disposal.

P) Employee Benefits

a. Short Term Employee Benefits:

All employee benefits payable within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

b. Retirement benefit costs and termination benefits and other long term employee benefits

Defined Contribution Schemes

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

Company's defined Contribution made to its Superannuation scheme is charged off to Statement of Profit and Loss on accrual basis.

Defined Benefit Plans

Provident Fund

Contribution to Provident Fund is accounted for on accrual basis as per actuarial valuation done on deterministic basis. The Provident Fund contributions are made to a Trust administered by the Company by both the employer as well as employee. The Trust invests in specific designated instruments as permitted by Indian Law. The interest rate payable to the members of the Trust is being administered by

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

the Government. The Company has an obligation to make good the shortfall, if any between the return from the investments of the Trust and the notified interest rate. Further in the event there is a deficit, owing to the fair valuation of plan assets being lower than defined benefit obligation at the balance sheet date, Company has to fund the shortfall. Such shortfall including shortfall in the interest is recognized in the Statement of Profit and Loss.

Gratuity and Post-retirement medical benefits

For Defined Benefit plans comprising of gratuity, post-retirement medical benefits the cost of providing benefits is determined using the Projected Unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurements, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expenses or income; and
- Re-measurements

The Company presents the first two components of defined benefit costs in the Statement of profit and loss in the line item 'Employee Benefits Expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The cost of the defined benefit gratuity plan and other Post employment medical benefits and the present value of gratuity obligation are determined using actuarial valuation techniques.

Termination Benefits

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

Other Long term benefits

Liabilities recognized in respect of other long term benefits like leave encashment and long term service awards are measured at the present value of the estimated future cash outflows to be made by the Company (based on actuarial valuation) in respect of services provided by employees upto the reporting date.

IV) Other Significant Accounting Policies:

A) Current versus non-current classification

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

An asset as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realized within twelve months after the reporting period, or

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

  All other assets are classified as non-current.

  The classification of an asset either current or non-current has been made applying the criteria of realization of such assets within a period of 12 months after the reporting date.

  Where assets have been fully provided for as doubtful, the same are classified as non-current.

  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 non-current.

B) Foreign Currencies

The standalone financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency.

a. Transactions and Balances

Foreign Currency transactions are accounted at the rates prevailing on the date of transaction. Year-end monetary assets and liabilities are translated at the exchange rate prevailing on the date of the Balance sheet.

Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and loss for the period in which they arise, except for the following:-

- ♦ Exchange differences on Long term foreign currency borrowings relating to assets under construction for future productive use (i.e. Capital Work in progress), are included in the cost of those assets when they are regarded as an adjustment on account of interest costs on those foreign currency borrowings.
- ♦ Non-monetary items that are measured in terms of historical cost in foreign currencies are reported using the exchange rates at the date of the transaction.

C) Interest Income

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability.

For interest due from customers, vendor's etc. interest income is recognized when no significant uncertainty as to its realization exists and is accounted on time proportion basis at contracted rates.

D) Dividends

Dividend income is recognized when the Company's right to receive the payment is established.

A. STATEMENT OF MATERIAL ACCOUNTING POLICIES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

E) Commission Income

For certain arrangements, Company acts as an agent. The role of the Company either as an agent or a principal is determined based on evaluation of its role as a primary obligor, has the pricing latitude in the said arrangements, its exposure to inventory risks and credit risks, on case to case basis. Commission income is recognized as per the terms of agreement when such amounts become entitled.

F) Others

Insurance and other miscellaneous claims are recognized on receipt/acceptance of claim.

Income from sale of Certified Emissions Reductions (CER's)/Voluntary Emissions Reductions (VER's)/ Renewable Energy Certificates (REC's) is recognized on delivery and confirmation of the same by the concerned authorities.

G) 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 operating leases are recognised on straight line basis as per lease terms over the period of lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the lease asset and recognised over the lease term. Contingent rents are recognised as revenue in the period in which they are earned.

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.

H) Non – Current Assets Held for Sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

I) Segment Reporting

The Company has recognized the following operating segments, viz Fertilizers, Industrial Chemicals and Trading, the business activities it is primarily engaged into. The same has been done based on the review of the operating results, internal reporting, review of performance, decision making relating to future allocation of resources, policy parameters influencing business etc. carried out by its Chief Operating Decision Maker i.e. Executive Management Committee/Board of Directors.

J) Prepaid Expenses

Individual expenses up to ₹ 1,00,000 is not considered in classifying prepaid expenses.

K) Research and Developments expenses

Revenue expenditure on Research activity is recognized separately and charged to Statement of Profit and Loss. Expenditure on development activities is capitalized when its future economic benefits can reasonably be regarded as assured.

L) Earnings per Share (EPS)

Basic earnings per share is calculated by dividing net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Upon discontinuation of an operation the basic and diluted amount per share for the discontinued operation is separately reported, as applicable.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

M) Cash Dividend

The Company recognizes a liability to make cash distributions to shareholders when the distribution is authorized and the same is no longer at the discretion of the Company. A corresponding amount is recognized directly in equity.

V) Exemptions Applied

Ind AS101- First Time Adoption of Indian Accounting Standards allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions.

Company has elected to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition measured as per Indian GAAP and use that as its deemed cost as at date of transition. The same is applicable even for Investment property, intangible assets and its investments in Joint venture, associates and subsidiaries.

Company has also reviewed the necessary adjustments required to be done in accordance with paragraph D21 this standard (i.e. adjustments arising on account of decommissioning or restoration liabilities) and has accordingly considered the impact of the same wherever applicable.

The Company has designated unquoted equity instruments held at 1 April 2015 as fair value through OCI.

VI) Recent Pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

NOTE NO. 1 PROPERTY, PLANT & EQUIPMENT

AS AT 31.03.2025

₹ Crore

Sr. No.	Description	DEEMED COST / COST				DEPRECIATION				IMPAIRMENT LOSS			NET BOOK VALUE	
		AS.AT 01.04.2024	Of Additions/ Adjustments *	Of Deductions/ Adjustments	AS.AT 31.03.2025	UPTO 01.04.2024	Provided during the year	On items Sold/ Discarded/ Adjusted	UPTO 31.03.2025	UPTO 01.04.2024	Provided during the year	UPTO 31.03.2025	AS.AT 31.03.2025	AS.AT 31.03.2024
a.	Land (Freehold)	10.74	-	-	**10.74**	-	-	-	-	-	-	-	**10.74**	10.74
b.	Buildings	315.10	86.11	0.25	**400.96**	79.81	15.69	(0.39)	**95.89**	5.27	-	**5.27**	**299.80**	230.02
c.	Plant & Machinery	3451.42	488.84	1.43	**3938.83**	1250.94	213.08	0.95	**1463.07**	15.58	5.31	**20.89**	**2454.87**	2184.90
d.	Furniture & Fixtures	18.57	3.05	0.02	**21.60**	10.39	1.49	0.06	**11.82**	-	-	-	**9.78**	8.18
e.	Vehicles	4.61	1.16	0.15	**5.62**	2.91	0.30	0.14	**3.07**	-	-	-	**2.55**	1.70
f.	Office Equipments	53.89	9.53	0.50	**62.92**	33.08	8.19	0.22	**41.05**	-	-	-	**21.87**	20.81
g.	Others													
i)	Roads & Culverts	25.29	8.28	-	**33.57**	16.11	2.51	(0.01)	**18.63**	-	-	-	**14.94**	9.18
ii)	Railway Sidings	29.88	0.33	-	**30.21**	10.62	1.77	-	**12.39**	-	-	-	**17.82**	19.26
iii)	Water System, Sewerage & Drainage	21.70	-	-	**21.70**	10.93	1.36	-	**12.29**	-	-	-	**9.41**	10.77
iv)	Miscellaneous Equipments	115.53	12.97	0.26	**128.24**	70.71	7.93	0.17	**78.47**	-	-	-	**49.77**	44.82
	TOTAL	**4046.73**	**610.27**	**2.61**	**4654.39**	**1485.50**	**252.32**	**1.14**	**1736.68**	**20.85**	**5.31**	**26.16**	**2891.55**	**2540.38**

AS AT 31.03.2024

₹ Crore

Sr. No.	Description	DEEMED COST / COST				DEPRECIATION				IMPAIRMENT LOSS			NET BOOK VALUE	
		AS.AT 01.04.2023	Of Additions/ Adjustments *	Of Deductions/ Adjustments	AS.AT 31.03.2024	UPTO 01.04.2023	Provided during the year	On items Sold/ Discarded/ Adjusted	UPTO 31.03.2024	UPTO 01.04.2023	Provided during the year	UPTO 31.03.2024	AS.AT 31.03.2024	AS.AT 31.03.2023
a.	Land (Freehold)	10.74	-	-	**10.74**	-	-	-	-	-	-	-	**10.74**	10.74
b.	Buildings	289.12	26.91	0.93	**315.10**	67.00	12.99	0.18	**79.81**	0.70	4.57	**5.27**	**230.02**	221.42
c.	Plant & Machinery	3267.73	185.13	1.44	**3451.42**	1063.53	188.02	0.61	**1250.94**	16.33	(0.75)	**15.58**	**2184.90**	2187.87
d.	Furniture & Fixtures	17.98	2.54	1.95	**18.57**	10.84	1.27	1.72	**10.39**	-	-	-	**8.18**	7.14
e.	Vehicles	4.42	0.80	0.61	**4.61**	3.17	0.24	0.50	**2.91**	-	-	-	**1.70**	1.25
f.	Office Equipments	41.37	13.28	0.76	**53.89**	27.68	5.88	0.48	**33.08**	-	-	-	**20.81**	13.69
g.	Others													
i)	Roads & Culverts	23.98	1.31	-	**25.29**	13.85	2.26	-	**16.11**	-	-	-	**9.18**	10.13
ii)	Railway Sidings	22.92	6.97	0.01	**29.88**	9.34	1.28	-	**10.62**	-	-	-	**19.26**	13.58
iii)	Water System, Sewerage & Drainage	21.70	-	-	**21.70**	9.57	1.38	0.02	**10.93**	-	-	-	**10.77**	12.13
iv)	Miscellaneous Equipments	108.16	8.85	1.48	**115.53**	63.93	8.04	1.26	**70.71**	-	-	-	**44.82**	44.23
	TOTAL	**3808.12**	**245.79**	**7.18**	**4046.73**	**1268.91**	**221.36**	**4.77**	**1485.50**	**17.03**	**3.82**	**20.85**	**2540.38**	**2522.18**

₹ Crore

1.1 * Additions/Adjusments in PPE include the following

	Item of Asset	AS AT 31.03.2025	AS AT 31.03.2024
Exchange Differences	Plant & Machinery / CWIP	7.92	0.97
Borrowing Costs		0.64	1.92
TOTAL		**8.56**	**2.89**

1.2 Land at Thal included in Gross Block (at cost) at ₹ 4.43 Crore (area measuring 50,52,476 Sq. Mtr.) is subject to final revision in price.

1.3 Assets offered as security for loans have been provided in Note No 19

₹ Crore

1.4 **Capital work in progress**

	AS AT 31.03.2025	AS AT 31.03.2024
Opening Balance	431.25	211.48
Additions	757.32	465.99
Capitalisations	609.40	245.61
Impairment Loss	-	0.61
Closing Balance	**579.17**	**431.25**

NOTE NO. 2 NON-CURRENT ASSETS - RIGHT OF USE ASSETS (ROU)

AS AT 31.03.2025

₹ Crore

Description	DEEMED COST / COST				DEPRECIATION				IMPAIRMENT LOSS			NET BOOK VALUE	
	AS.AT 01.04.2024	Of Additions/ Adjustments	Of Deductions/ Adjustments	AS.AT 31.03.2025	UPTO 01.04.2024	Provided during the year	On items Sold/ Discarded/ Adjusted	UPTO 31.03.2025	UPTO 01.04.2024	Provided during the year	UPTO 31.03.2025	AS.AT 31.03.2025	AS.AT 31.03.2024
Land (Leasehold) ROU	10.39	-	-	10.39	4.01	0.66	-	4.67	1.92	-	1.92	3.80	4.46
Buildings ROU	3.31	2.56	1.37	4.50	2.09	0.96	1.21	1.84	-	-	-	2.66	1.22
Vehicles ROU	18.01	0.04	0.04	18.01	11.55	3.86	0.03	15.38	-	-	-	2.63	6.46
TOTAL	31.71	2.60	1.41	32.90	17.65	5.48	1.24	21.89	1.92	-	1.92	9.09	12.14

AS AT 31.03.2024

₹ Crore

Description	DEEMED COST / COST				DEPRECIATION				IMPAIRMENT LOSS			NET BOOK VALUE	
	AS.AT 01.04.2023	Of Additions/ Adjustments	Of Deductions/ Adjustments	AS.AT 31.03.2024	UPTO 01.04.2023	Provided during the year	On items Sold/ Discarded/ Adjusted	UPTO 31.03.2024	UPTO 01.04.2023	Provided during the year	UPTO 31.03.2024	AS.AT 31.03.2024	AS.AT 31.03.2023
Land (Leasehold) ROU	10.39	-	-	10.39	3.21	0.80	-	4.01	-	1.92	1.92	4.46	7.18
Buildings ROU	3.32	0.74	0.75	3.31	1.88	0.94	0.73	2.09	-	-	-	1.22	1.44
Vehicles ROU	14.13	3.96	0.08	18.01	7.73	3.90	0.08	11.55	-	-	-	6.46	6.40
TOTAL	27.84	4.70	0.83	31.71	12.82	5.64	0.81	17.65	-	1.92	1.92	12.14	15.02

NOTE NO. 3 NON-CURRENT ASSETS - INVESTMENT PROPERTY

AS AT 31.03.2025

₹ Crore

Description	DEEMED COST / COST				DEPRECIATION				IMPAIRMENT LOSS			NET BOOK VALUE	
	AS.AT 01.04.2024	Of Additions/ Adjustments	Of Deductions/ Adjustments	AS.AT 31.03.2025	UPTO 01.04.2024	Provided during the year	On items Sold/ Discarded/ Adjusted	UPTO 31.03.2025	UPTO 01.04.2024	Provided during the year	UPTO 31.03.2025	AS.AT 31.03.2025	AS.AT 31.03.2024
Land (Freehold)	0.01	-	-	0.01	-	-	-	-	-	-	-	0.01	0.01
Buildings	7.07	0.09	1.51	5.65	1.71	0.19	0.45	1.45	-	-	-	4.20	5.36
TOTAL	7.08	0.09	1.51	5.66	1.71	0.19	0.45	1.45	-	-	-	4.21	5.37

AS AT 31.03.2024

₹ Crore

Description	DEEMED COST / COST				DEPRECIATION				IMPAIRMENT LOSS			NET BOOK VALUE	
	AS.AT 01.04.2023	Of Additions/ Adjustments	Of Deductions/ Adjustments	AS.AT 31.03.2024	UPTO 01.04.2023	Provided during the year	On items Sold/ Discarded/ Adjusted	UPTO 31.03.2024	UPTO 01.04.2023	Provided during the year	UPTO 31.03.2024	AS.AT 31.03.2024	AS.AT 31.03.2023
Land (Freehold)	0.01	-	-	0.01	-	-	-	-	-	-	-	0.01	0.01
Buildings	6.32	0.93	0.18	7.07	1.34	0.17	(0.20)	1.71	-	-	-	5.36	4.98
TOTAL	6.33	0.93	0.18	7.08	1.34	0.17	(0.20)	1.71	-	-	-	5.37	4.99

3.1 The Company's investment properties consist of commercial / residential properties located at Mumbai, Alibaug and Lucknow. The management has determined that the investment properties consist of two classes of assets – land and building.

3.2 **Information regarding income and expediture of Investment Property**

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
Rental income derived from investment properties	39.69	38.35
Less: Direct operating expenses (including repairs and maintenance) generating rental income	3.66	2.58
Less: Direct operating expenses (including repairs and maintenance) that did not generate rental income	0.05	0.06
Profit arising from investment properties before depreciation and indirect expenses	**35.98**	**35.71**
Less: Depreciation	0.19	0.17
Profit arising from investment properties before indirect expenses	**35.79**	**35.54**

3.3 The Company undertakes expenditure towards Maintenance for upkeep of its properties which also covers the portion relating to Investment Property. The same being not material, no separate disclosure of contracts entered into for maintainance of investment property is given.

3.4 As at 31st March 2025, the fair values of the properties is ₹ 952.45 crore (₹ 956.30 crore as on 31.03.2024). These valuations are based on valuations performed by RV. Devendra Patekar (M/s Magnitas Valuation & Advisory Services LLP) , an accredited independent valuer and has worked out the value of the property based on the information and a study of the micro market in discussions with industry experts, local brokers and regional developers.

3.5 Fair value disclosures for investment properties is detailed below

₹ Crore

Reconciliation of Fairvalue	AS AT 31.03.2025	AS AT 31.03.2024
LAND		
Opening balance	280.07	269.64
Fair Value	286.86	280.07
Fair value difference	6.79	10.43
Purchases / Transfers	-	-
Closing balance	**286.86**	**280.07**
BUILDING		
Opening balance	676.23	605.55
Fair Value	689.66	629.57
Fair value difference	13.43	24.02
Purchases / Transfers	(24.07)	46.66
Closing balance	**665.59**	**676.23**
TOTAL		
Opening balance	956.30	875.19
Fair Value	976.52	909.64
Fair value difference	20.22	34.45
Purchases / Transfers	(24.07)	46.66
Closing balance	**952.45**	**956.30**

NOTE NO. 4 NON-CURRENT ASSETS - INTANGIBLE ASSETS

AS AT 31.03.2025

₹ Crore

Description	DEEMED COST / COST				DEPRECIATION				IMPAIRMENT LOSS			NET BOOK VALUE	
	AS.AT 01.04.2024	Of Additions/ Adjustments	Of Deductions/ Adjustments	AS.AT 31.03.2025	UPTO 01.04.2024	Provided during the year	On items Sold/ Discarded/ Adjusted	UPTO 31.03.2025	UPTO 01.04.2024	Provided during the year	UPTO 31.03.2025	AS.AT 31.03.2025	AS.AT 31.03.2024
Computer Software	16.99	0.66	8.32	9.33	16.96	0.23	8.43	8.76	-	-	-	0.57	0.03
TOTAL	16.99	0.66	8.32	9.33	16.96	0.23	8.43	8.76	-	-	-	0.57	0.03

AS AT 31.03.2024

₹ Crore

Description	DEEMED COST / COST				DEPRECIATION				IMPAIRMENT LOSS			NET BOOK VALUE	
	AS.AT 01.04.2023	Of Additions/ Adjustments	Of Deductions/ Adjustments	AS.AT 31.03.2024	UPTO 01.04.2023	Provided during the year	On items Sold/ Discarded/ Adjusted	UPTO 31.03.2024	UPTO 01.04.2023	Provided during the year	UPTO 31.03.2024	AS.AT 31.03.2024	AS.AT 31.03.2023
Computer Software	16.99	0.00	-	16.99	16.56	0.41	0.01	16.96	-	-	-	0.03	0.43
TOTAL	16.99	0.00	-	16.99	16.56	0.41	0.01	16.96	-	-	-	0.03	0.43

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 5 "NON-CURRENT ASSETS" "FINANCIAL ASSETS -INVESTMENTS"

₹ Crore

Particulars		As at 31.03.2025	As at 31.03.2024
A	**Investments in Equity Instruments:**		
	Unquoted (Fully paid up)		
	a **Joint Ventures at Cost**		
	FACT-RCF Building Products Ltd. (23,57,000 equity shares (P.Y. 23,57,000 equity shares) of ₹10 each)	2.36	2.36
	Less:- Provision for Diminution in the value of investment	(2.36)	(2.36)
		-	-
	i **Urvarak Videsh Ltd.** (1,80,002 equity shares (P.Y.1,80,002) of ₹10 each)	0.01	0.01
	ii **Talcher Fertilizers Limited** (Formerly known as Rashtriya Coal Gas Fertilizers Limited) (90,21,47,291 equity shares (P.Y. 80,54,80,826 equity shares) of ₹10 each) (Under lock in period for 5 year from date of commercial operation)	892.30	794.81
		892.31	**794.82**
	b **Investment Designated at Fair Value Through OCI Indian Potash Limited*** (6,73,200 equity shares (including 4,48,800 bonus shares) (P.Y.6,73,200 equity shares) of ₹10 each)	121.51	119.76
B	**Other Investments (Unquoted) Designated at Fair Value Through P&L**		
	Transferable Development Rights (Refer Note No. 59)	**81.30**	**76.93**
	TOTAL	**1095.12**	**991.51**
***Reconciliation of fair value measurement of the investment in unquoted equity shares of Indian Potash Limited (IPL)**			
	Opening Balance	119.76	97.28
	Total Gains and Losses Recognised in OCI	1.75	22.48
	Closing Balance	121.51	119.76
Company has adopted the carrying amount as per IGAAP as its deemed cost of its investment in joint ventures. The deemed cost of the investments has been arrived as under:			
	(a) FACT-RCF Building Products Ltd. (3,28,70,000 equity shares (P.Y.3,28,70,000) of ₹10 each)	32.87	32.87
	Less:- Provision for Diminution in the value of investment	(32.87)	(32.87)
	Carrying Value	-	-
	(b) Urvarak Videsh Ltd. (1,80,002 equity shares (P.Y.1,80,002) of ₹10 each)	0.18	0.18
	Less:- Provision for Diminution in the value of investment	(0.18)	(0.18)
	Carrying Value	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 6 "NON-CURRENT ASSETS" "FINANCIAL ASSETS - TRADE RECEIVABLES"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
Trade Receivables		
Credit Impaired	1.91	1.92
Less: Provision for Doubtful Debts	(1.91)	(1.92)
TOTAL	-	-

NOTE NO. 7 "NON-CURRENT ASSETS" "FINANCIAL ASSETS - LOANS"

₹ Crore

		AS AT 31.03.2025	AS AT 31.03.2024
i.	Secured Considered Good : Loans- Employees	-	-
ii.	Unsecured Considered Good : Loan- Other CPSE	-	-
iii.	Significant Increase in Credit Risk	-	-
iv.	Credit Impaired	-	-
	TOTAL	-	-

NOTE NO. 8 "NON-CURRENT ASSETS" "FINANCIAL ASSETS - OTHERS"

₹ Crore

		AS AT 31.03.2025	AS AT 31.03.2024
(i)	**Advances to Related Parties**		
	Considered Doubtful (Refer Note No. 55.1)	36.50	36.50
	Less: Provision	(36.50)	(36.50)
		-	-
(ii)	**Others**		
	Receivables Towards Rent / Services Provided		
	Unsecured - Considered Doubtful	0.84	0.91
	Less: Provision for Doubtful Receivables	(0.84)	(0.91)
		-	-
	TOTAL	-	-

NOTE NO. 9 "NON-CURRENT ASSETS" "OTHER NON-CURRENT ASSET"

₹ Crore

		AS AT 31.03.2025	AS AT 31.03.2024
(i)	**Capital Advances**		
	Unsecured -Considered Good	169.22	68.89
(ii)	**Advances other than Capital Advances**		
	a. Loans (Material Given on Refundable Basis) to Related Parties	-	-
	Considered Doubtful (Refer Note No. 55.1)	1.37	1.37
	Less: Provision	(1.37)	(1.37)
		-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
b. Other Advances		
Unsecured -Considered Good		
i. VAT Receivable		
Unsecured -Considered Good	10.28	10.28
ii. Considered Doubtful	1.90	1.90
Less: Provision for Doubtful Advances	(1.90)	(1.90)
	-	-
iii. Advance Income Tax (Net of Provision)	195.82	264.58
iv. Deposits with Customs, Port Trust etc.		
Unsecured -Considered Good (Refer Note No. 42.1.2)	75.25	73.71
Unsecured -Considered Doubtful	2.06	2.06
Less: Provision	(2.06)	(2.06)
	75.25	73.71
v. Prepaid expenses	0.58	0.94
vi. Other Miscellaneous	0.01	0.05
	281.94	349.56
TOTAL	**451.16**	**418.45**

NOTE NO. 10 "CURRENT ASSETS" "INVENTORIES"

₹ Crore

		AS AT 31.03.2025	AS AT 31.03.2024
i	Raw Materials	403.66	491.82
	Raw Materials-in-Transit	-	138.89
	Raw Materials (Sub Total)	403.66	630.71
	Less: Provision	(3.35)	(3.35)
	Raw Materials (Total)	**400.31**	**627.36**
ii	Finished Goods	153.31	335.04
	Finished Goods-in-Transit	104.84	99.01
	Finished Goods (Total)	**258.15**	**434.05**
iii	Stock in Trade/Bought Out Products	272.22	553.86
	Stock in Trade/Bought Out Products-in-Transit	122.06	417.94
	Stock in Trade/Bought Out Products (Total)	**394.28**	**971.80**
iv.	Intermediary Products	**81.33**	**75.48**
v.	By Products	**2.55**	**3.93**
vi.	Stores & Spares, Packing Materials and Petroleum Products	458.59	487.54
	Less: Provision for Obsolescence etc./Loss under Investigation	(9.83)	(18.21)
		448.76	**469.33**
vii.	Certified Emission Reduction Credits (CER) / Renewable Energy Certificates (REC) / E-Certs	**0.21**	**0.29**
	(No. of CER Units C.Y. NIL , P.Y. NIL)		
	(No. of REC Units C.Y. 2644, P.Y. 3030)		
	(No. of E-Cert Units C.Y. 9302, P.Y. 9740)		
	TOTAL	**1585.59**	**2582.24**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
Inventory Includes:		
Stores and Spares		
a) Under Inspection	2.81	0.82
b) With Fabricators	2.49	9.65
Cost of Inventories Recognised as expense	6010.53	6600.90
Write down of Inventories Charge to P&L (Difference Between Cost & NRV)	11.06	25.64

NOTE NO. 11 "CURRENT ASSETS" "FINANCIAL ASSETS - TRADE RECEIVABLES"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
Subsidy Receivable (Unsecured - Considered Good)	2574.91	2953.31
Trade Receivables		
Secured - Considered good	207.94	189.28
Unsecured - Considered good	318.36	409.41
Significant Increase in Credit Risk	0.19	0.29
	526.49	**598.98**
Less : Provision for Expected Credit Loss *	(0.73)	(2.62)
Total - Trade Receivables	525.76	596.36
TOTAL	**3100.67**	**3549.67**

* The company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on provision matrix. The provision matrix takes into account historical credit loss experience. The expected credit loss (ECL) allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting is as follows.

	AS AT 31.03.2025	AS AT 31.03.2024
ECL % - Ageing		
Not Due	0.06	0.12
00 - 90 days	1.47	2.31
91 - 180 days	1.13	26.10
181 - 365 days	93.43	96.85
> 365 days (fully secured)	-	-
Age of Receivables (₹ Cr)		
Receivable from GoI (Not tested for ECL)	5.94	7.75
Not Due - Other Trade Receivables	502.42	569.00
00 - 90 days	13.82	17.39
91 - 180 days	3.93	4.15
181 - 365 days	0.17	0.48
> 365 days (fully secured)	0.21	0.21
Movement in ECL allowance (₹Cr)	**526.49**	**598.98**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

	AS AT 31.03.2025	AS AT 31.03.2024
Balance at Beginning of the year	2.62	0.69
Movement	(1.89)	1.93
Balance at End of the year	0.73	2.62

Out of the Total Trade Receivables, Trade Receivables amounting to ₹ 207.94 Crore as on 31.03.2025 (PY ₹ 189.28 Crore) are secured against collaterals in form of Deposits / Bank Guarantees received and held by the company.

NOTE NO. 12 "CURRENT ASSETS" "FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
Cash and Cash Equivalents		
i. Balances with Bank	237.03	156.49
ii. Cash on Hand*	-	-
iii. Deposits with Original Maturity less than 3 months	750.00	-
TOTAL	**987.03**	**156.49**

The above cash and cash equivalent have not been pledged
* CY ₹ 18,034 PY ₹ 24,522

NOTE NO. 13 "CURRENT ASSETS" "FINANCIAL ASSETS - OTHER BANK BALANCES"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
i. Margin Money Deposit / Bond Money Received from Employees	47.02	194.76
ii. In Unpaid Dividend Account *	1.69	1.69
TOTAL	**48.71**	**196.45**

* Earmarked balances with banks / No amounts are due & payable to Investor Education & Protection Fund

NOTE NO. 14 "CURRENT ASSETS" "FINANCIAL ASSETS - LOANS"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
i. Secured Considered Good		
Loans- Employees	-	0.01
ii. Unsecured Considered Good		
Loan- Other CPSE	-	5.10
iii. Significant Increase in Credit Risk	-	-
iv. Credit Impaired	-	-
TOTAL	**-**	**5.11**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 15 "CURRENT ASSETS" "FINANCIAL ASSETS - OTHERS"

₹ Crore

		AS AT 31.03.2025	AS AT 31.03.2024
i.	Fairvalue of Derivatives	9.65	9.72
ii.	Interest Receivable	1.70	1.13
iii.	Receivables towards Rent / Services provided *	76.74	63.83
iv.	Services provided	76.30	191.72
	(Receivable from Government of India towards Import of Urea on Government Account)		
	TOTAL	**164.39**	**266.40**

* Expected Credit Loss - NIL

NOTE NO. 16 "CURRENT ASSETS" "OTHER CURRENT ASSETS"

₹ Crore

		AS AT 31.03.2025	AS AT 31.03.2024
i.	**Advances other than Capital Advances**		
	Security Deposits		
	Unsecured -Considered Good	0.07	1.29
ii.	**Other Advances**		
	Unsecured -Considered Good		
	i. Contractors	12.14	21.48
	ii. Employees	0.22	0.29
	iii. GST Receivable	324.81	249.48
	iv. Prepaid Expenses	12.13	27.69
	Total Other Advances	**349.30**	**298.94**
	TOTAL	**349.37**	**300.23**

NOTE NO. 17 "EQUITY" "EQUITY SHARE CAPITAL"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
Authorised		
80,00,00,000 Equity Shares of ₹10/- each.	800.00	800.00
Issued, Subscribed and Paid Up		
55,16,88,100 Equity shares of ₹10/- each fully paid up.	551.69	551.69
TOTAL	**551.69**	**551.69**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

RECONCILIATION OF SHARES OUTSTANDING AT THE BEGINNING AND END OF THE REPORTING PERIOD

	31.03.2025		31.03.2024	
	No.	₹ Crore	No.	₹ Crore
EQUITY SHARES				
At the beginning of the year	551688100	551.69	551688100	551.69
Issued during the year				
Outstanding at the end of the year	**551688100**	**551.69**	**551688100**	**551.69**

Terms/Rights Attached to Equity shares

The Company has only one class of equity shares having par value of ₹10 per share. Each share holder 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 the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES IN THE COMPANY

Particulars	31.03.2025		31.03.2024	
	% age of shareholding	No.	% age of shareholding	No.
President of India	75.00%	413769483	75.00%	413769483

DETAILS OF SHAREHOLDING OF PROMOTERS IN THE COMPANY

Particulars	31.03.2025		31.03.2024		% change during the year
	% age of shareholding	No.	% age of shareholding	No.	
President of India	75.00%	413769483	75.00%	413769483	0.00%

Particulars	31.03.2024		31.03.2023		% change during the year
	% age of shareholding	No.	% age of shareholding	No.	
President of India	75.00%	413769483	75.00%	413769483	0.00%

NOTE NO. 18 "EQUITY" "OTHER EQUITY"

₹ Crore

	Note No.	AS AT 31.03.2025	AS AT 31.03.2024
i. Other Reserves			
General Reserve			
Opening Balance		3964.45	3965.66
Add: Transferred from Retained Earnings		138.28	(1.21)
Closing Balance		4102.73	3964.45
Equity Instruments through Other Comprehensive Income Reserve			
Opening Balance		89.60	72.77
Add: Other Comprehensive Income for the Year (Net of Tax)		1.31	16.83
Closing Balance		90.91	89.60

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

₹ Crore

	Note No.	AS AT 31.03.2025	AS AT 31.03.2024
ii. Retained Earnings			
Opening Balance / Adjustments		-	-
Profit for the Year		242.45	225.28
Adjustment for Remeasurement of Defined Benefit Plans (Net of Tax)		(35.76)	(22.37)
Less: Dividends Paid	18A	(68.41)	(204.12)
Less: Transfer to General Reserve		(138.28)	1.21
Closing Balance		-	-
TOTAL		**4193.64**	**4054.05**

For FY 2024-25, The Board of Directors have recommended a final dividend of ₹1.32 per equity share (P.Y. ₹1.24 per equity share) which is subject to approval by shareholders of the Company.

NOTE NO. 18A "DIVIDEND"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
Dividends on Equity Shares paid during the year		
Final Dividend for the FY 2023-24 [₹ 1.24 (P.Y. ₹ 3.70) per equity share of ₹ 10 each]	68.41	204.12
Interim Dividend for the FY 2024-25 [₹ NIL (P.Y. ₹ NIL) per equity share of ₹ 10 each]	-	-
TOTAL	**68.41**	**204.12**

NOTE NO. 19 "NON-CURRENT LIABILITIES" "FINANCIAL LIABILITIES - BORROWINGS"

₹ Crore

	AS AT 31.03.2025		AS AT 31.03.2024	
	Non Current	Current	Non Current	Current
SECURED				
Non Convertible Debentures (NCDs)				
6.59% Listed Secured Non Convertible Debentures (RCF Series I -2020)	-	499.97	499.87	-
Listed Secured Non Convertible Debentures(NCDs) (RCF Series I -2020) in Nos. 5000 have been issued at an interest rate of 6.59% per annum for a tenure of 5 years having face value of ₹ 10 lakhs each on 05th August 2020 which are redeemable on 05th August 2025. Such NCDs are secured by way of a Registered Debenture Trust Deed with a first pari-passu charge over subsidy receivables from Government of India and movable fixed assets (plant and machinery) present and future located at Trombay and Thal, excluding movable fixed assets of Medium Pressure (MP) and High Pressure (HP) Nitric Acid Plant situated at Trombay.				
	-	**499.97**	**499.87**	**-**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

₹ Crore

		AS AT 31.03.2025		AS AT 31.03.2024	
		Non Current	Current	Non Current	Current
	Term Loan from Banks				
1	**Rupee Loan from Banks**				
a	**UCO Bank**	117.00	36.00	153.00	27.00
	A loan of ₹ 180 crore availed from UCO Bank Limited is secured by way of first pari-passu charge on movable assets (both present and future) located at Thal and Trombay (excluding movable fixed assets of the Medium Pressure (MP) and High Pressure (HP) Nitric Acid Plant situated at Trombay) to the extent of 1.25 times of the loan amount. The rate of interest is 3 months MCLR plus Nil Margin. Repayment of the said loan would fall due for ₹ 36.00 crore in F.Y. 2025-26, ₹ 36.00 crore in F.Y. 2026-27, ₹ 36.00 crore in F.Y. 2027-28, ₹ 36.00 crore in F.Y. 2028-29, ₹ 9.00 crore in F.Y. 2029-30.				
b	**Emirates NBD Bank (P.J.S.C)**	300.00	-	-	-
	A loan of ₹ 300 crore availed from Emirates NBD Bank (P.J.S.C.) is secured by way of moveable plant & machinery of the Company to the extent of 1.25 times of the amount borrowed from bank. The security for this loan is yet to be created and perfected. The rate of interest is 3 months T-Bill plus margin of 1.40% p.a. Repayment of the said loan would fall due for ₹ 60.00 crore in F.Y. 2026-27, ` 60.00 crore in F.Y. 2027-28, ₹ 60.00 crore in F.Y. 2028-29, ₹ 60.00 crore in F.Y. 2029-30, ₹ 60.00 crore in F.Y. 2030-31				
		417.00	**36.00**	**153.00**	**27.00**
2	**Foreign Currency Loan / External Commercial Borrowings (ECB)**				
a	**CTBC**	122.33	34.78	153.50	16.81
	ECB of EURO 19.00 million availed by the Company from CTBC Bank Co., Ltd., Singapore Branch, under RBI Loan Registration no. 202305227 is secured by way of first pari-passu charge on movable assets (both present and future) located at Thal and Trombay (excluding movable fixed assets of the Medium Pressure (MP) and High Pressure (HP) Nitric Acid Plant situated at Trombay) to the extent of 1.25 times of the loan amount. The rate of interest is 1 months EURIBOR plus margin of 1.15% per annum. Repayment of the said loan would fall due for ₹ 35.08 crore in F.Y. 2025-26, ₹ 35.08 crore in F.Y. 2026-27, ₹ 35.08 crore in F.Y. 2027-28, ₹ 35.08 crore in F.Y. 2028-29, ₹ 17.54 crore in F.Y. 2029-30.				

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

₹ Crore

	AS AT 31.03.2025		AS AT 31.03.2024	
	Non Current	Current	Non Current	Current
b State Bank of India	84.08	33.54	114.93	32.74
ECB of EURO 25.00 million availed by the Company from State Bank of India, New York Branch, under RBI Loan Registration no. 202011111 is secured by way of first pari-passu charge on movable assets (both present and future) located at Thal and Trombay (excluding movable fixed assets of the Medium Pressure (MP) and High Pressure (HP) Nitric Acid Plant situated at Trombay) to the extent of 1.25 times of the loan amount. The rate of interest is 6 months EURIBOR plus margin of 1.40% per annum. Repayment of the said loan would fall due for ₹ 33.68 crore in F.Y. 2025-26, ₹ 33.68 crore in F.Y. 2026-27, ₹ 33.68 crore in F.Y. 2027-28, ₹ 16.84 crore in F.Y. 2028-29.				
	206.41	**68.32**	**268.43**	**49.55**
UNSECURED				
Non Convertible Debentures (NCDs)				
6.59% Listed Unsecured Non Convertible Debentures (RCF Series I -2022)	-	-	-	299.95
Listed Unecured Non Convertible Debentures (NCDs) (RCF Series I -2022) in Nos. 3000 have been issued at an interest rate of 6.59% per annum for a tenure of 3 years having face value of ₹ 10 lakhs each on 31st January 2022 which have been reedemed on 31st January 2025				
7.99% Listed Unsecured Non Convertible Debentures (RCF Series I -2024)	**299.87**	**-**	**-**	**-**
Listed Unecured Non Convertible Debentures(NCDs) (RCF Series I -2024) in Nos. 30000 have been issued at an interest rate of 7.99% per annum for a tenure of 3 years having face value of ₹ 1 lakhs each on 07th August 2024 which are redeemable on 07th August 2027				
	299.87	**-**	**-**	**299.95**
Term Loan from Banks				
South Indian Bank	-	19.09	19.09	76.36
A loan of ₹ 95.45 crore is availed from The South Indian Bank Limited at a rate of interest linked to 3 months T-Bill Rate plus fixed margin of 0.92% per annum. Repayment of the said loan would fall due for ₹ 19.09 crore in F.Y. 2025-26.				
	-	**19.09**	**19.09**	**76.36**
Amount disclosed under the head "CURRENT BORROWINGS" (Refer Note No. 25)		**(623.38)**		**(452.86)**
TOTAL	**923.28**	**-**	**940.39**	**-**
Details of Borrowings and Transaction Costs				
A External Commercial Borrowings				
Total External Commercial Borrowings	207.00	68.77	269.47	50.06
Less: Transaction Costs	0.59	0.45	1.04	0.51
Carrying value of External Commercial Borrowings	**206.41**	**68.32**	**268.43**	**49.55**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

₹ Crore

		AS AT 31.03.2025		AS AT 31.03.2024	
		Non Current	Current	Non Current	Current
B	Non-Convertible Debentures				
i.	6.59% Listed Secured Non Convertible Debentures (RCF Series I -2020)	-	500.00	500.00	-
	Less: Transaction Costs	-	0.03	0.13	-
	Carrying value of Non-Convertible Debentures	**-**	**499.97**	**499.87**	**-**
ii.	7.99%/6.59% Listed Unsecured Non Convertible Debentures (RCF Series I -2024/RCF Series I -2022)	300.00	-	-	300.00
	Less: Transaction Costs	0.13	-	-	0.05
	Carrying value of Non-Convertible Debentures	**299.87**	**-**	**-**	**299.95**

NOTE NO. 20 "NON-CURRENT LIABILITIES" "FINANCIAL LIABILITIES - LEASE LIABILITIES"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
Lease Liabilities	6.24	8.05
TOTAL	**6.24**	**8.05**

NOTE NO. 21 "NON-CURRENT LIABILITIES" "FINANCIAL LIABILITIES - OTHERS"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
Security Deposit from Vendors	46.54	42.77
TOTAL	**46.54**	**42.77**

NOTE NO. 22 "NON-CURRENT LIABILITIES" "PROVISIONS"

₹ Crore

		AS AT 31.03.2025	AS AT 31.03.2024
	Provision for Employee Benefits		
i.	Leave Salary Encashment	78.48	73.49
ii.	Post Retirement Medical Benefits	145.71	135.09
iii.	Gratuity	0.44	-
iv.	Long Service Award	0.69	0.66
	TOTAL	**225.32**	**209.24**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 23 "NON-CURRENT LIABILITIES" "DEFERRED TAX LIABILITIES (NET)"

₹ Crore

		AS AT 31.03.2025	AS AT 31.03.2024
a.	**Deferred Tax Liability:**		
i.	Depreciation	348.62	344.89
ii.	Fair Value of Investments	30.43	29.99
iii.	Revenue from TDR	10.48	10.48
iv.	Other Temporary Differences	3.57	3.20
	TOTAL	**393.10**	**388.56**
b.	**Deferred Tax Asset:**		
i.	Provision for Doubtful Debts/Claims/Advances	10.72	10.74
ii.	Provision for Obsolescence of Stores	-	0.69
iii.	Provision for Diminution in Value of Investments	8.91	8.91
iv.	Expenditure Allowable on Payment Basis	52.75	46.68
v.	Other Temporary Differences	25.26	15.81
	TOTAL	**97.64**	**82.83**
	Net Deferred Tax Liability	**295.46**	**305.73**

NOTE NO. 24 "OTHER LIABILITIES"

₹ Crore

		Note No.	AS AT 31.03.2025	AS AT 31.03.2024
I	**NON CURRENT**			
	Others			
	i. Advance Rent Received	**24A**	0.07	0.41
	ii. Government Grants	**24B**	0.35	0.52
	iii. Deferred Income		19.81	22.80
	TOTAL OTHER NON CURRENT LIABILITIES (I)		**20.23**	**23.73**
II	**CURRENT**			
	(a) Revenue Received in Advance			
	Income Received in Advance from Customers (Contract Liabilities)	**24C**	49.96	209.33
	(b) Other Advances			
	Retention Money		12.50	12.50
	(c) Other Liabilities:			
	i. Advance Rent Received	**24A**	3.12	0.61
	ii. Government Grants	**24B**	0.02	0.06
	iii. Deferred Income		4.24	3.76
	iv. **Statutory Dues:**			
	a. Withholding Taxes		16.06	19.44
	b. GST Payable		-	2.79
	v. Others		16.00	16.01
			39.44	42.67
	TOTAL OTHER CURRENT LIABILITIES (II)		**101.90**	**264.50**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 24A "ADVANCE RENT RECEIVED"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
At at 1st April	1.02	1.71
Received / (Repaid) during the Year	12.88	0.05
Released to the Statement of Profit and Loss	10.71	0.74
As at 31st March	**3.19**	**1.02**
Current	3.12	0.61
Non-Current	0.07	0.41

NOTE NO. 24B "GOVERNMENT GRANTS"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
At at 1st April	0.58	0.67
Received / (Repaid) during the Year	-	-
Released to the Statement of Profit and Loss	0.21	0.09
As at 31st March	**0.37**	**0.58**
Current	0.02	0.06
Non-Current	0.35	0.52

NOTE NO. 24C "INCOME RECEIVED IN ADVANCE FROM CUSTOMERS (CONTRACT LIABILITIES)"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
At at 1st April	209.33	70.14
Received during the Year	49.96	209.33
Released to the Statement of Profit and Loss	209.33	70.14
As at 31st March	**49.96**	**209.33**
Current	49.96	209.33
Non-Current	-	-

NOTE NO. 25 "CURRENT LIABILITIES" "FINANCIAL LIABILITIES - BORROWINGS"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
(a) Working Capital Loans		
I. Secured		
a. From Banks (Repayable on Demand) *		
Working Capital Demand Loan	670.00	860.00
Total Secured	670.00	860.00

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
II. Unsecured		
From Banks		
i. Foreign Currency Loans from Banks-Buyers Credit **	535.26	-
ii. Rupee Loans ***	-	1030.00
Total Unsecured	535.26	1030.00
Total Working Capital Loans	**1205.26**	**1890.00**
(b) Current Maturities of Long Term Debt (Refer Note No. 19)		
I. Secured	604.29	76.55
II. Unsecured	19.09	376.31
Total	**623.38**	**452.86**
TOTAL	**1828.64**	**2342.86**

* Cash Credit from banks carrying interest rate of 8.55%- 8.85% per annum (PY 8.40% - 8.55% per annum) and Working Capital Demand Loan carrying interest of 6.69%-7.30% per annum (PY 7.02%-7.30% per annum) are secured by hypothecation of entire Company's current assets including all stocks, book debts and other moveable assets, both present and future.

** Unsecured Foreign Currency Loans from Banks are in the form of Buyers Credit and carry interest in the range of 4.75% - 5.88% per annum (PY 5.61% per annum). These loans are repayable within 180 days.

*** Unsecured Short Term Rupee Loans carrying interest of 7.05%-7.70% per annum (PY 6.94%-7.70% per annum).

NOTE NO. 26 "CURRENT LIABILITIES" "FINANCIAL LIABILITIES - LEASE LIABILITIES"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
Lease Liabilities	4.05	5.34
TOTAL	**4.05**	**5.34**

NOTE NO. 27 "CURRENT LIABILITIES" "FINANCIAL LIABILITIES - TRADE PAYABLES"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
Trade Payables (including Acceptances)		
(A) Outstanding Dues of Micro Enterprises and Small Enterprises	88.42	55.46
(B) Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	2128.10	1880.13
TOTAL	**2216.52**	**1935.59**

Trade payables are normally non-interest bearing and are usually settled within 30-days from the date of receipt of invoice unless they are contracted with specific credit terms as applicable.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 28 "CURRENT LIABILITIES" "FINANCIAL LIABILITIES - OTHER FINANCIAL LIABILITIES"

₹ Crore

			AS AT 31.03.2025	AS AT 31.03.2024
i.	Interest Accrued But Not Due on Borrowings		52.76	37.03
ii.	Unclaimed Dividend*		1.69	1.69
iii.	Payables on Capital Account		94.77	62.84
iv.	Standing Deposit from Customers		40.81	44.54
v.	Trade Deposit from Customers		97.59	96.45
vi	Earnest Money Deposit & Security Deposit from Vendors		75.70	90.79
vii	Other Payables	28 A	257.06	256.22
viii	Ex-gratia & Employee Benefits		39.27	27.29
	TOTAL		**659.65**	**616.85**

* No amounts are due & payable to Investor Education & Protection Fund.

NOTE NO. 28A "OTHER PAYABLES"

₹ Crore

		AS AT 31.03.2025	AS AT 31.03.2024
i.	Compensation received against litigative Arbitration/Court order (Refer Note No.51)	246.39	246.39
ii.	Others	10.67	9.83
	TOTAL	**257.06**	**256.22**

NOTE NO. 29 "CURRENT LIABILITIES" "PROVISIONS"

₹ Crore

		AS AT 31.03.2025	AS AT 31.03.2024
Provision for Employee Benefits			
i.	Leave Salary Encashment	100.60	96.83
ii.	Post Retirement Medical Benefits	13.48	10.76
iii.	Ex-gratia / Gratuity Payable	23.90	-
iv.	Payable to Provident Fund	50.39	47.27
v.	Long Service Award	0.09	0.07
	TOTAL	**188.46**	**154.93**

NOTE NO. 30 "CURRENT LIABILITIES" "CURRENT TAX LIABILITIES NET"

₹ Crore

	AS AT 31.03.2025	AS AT 31.03.2024
Provision for Taxation Current Year (net of Advance Tax)	**5.01**	-
TOTAL	**5.01**	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 31 "REVENUE FROM OPERATIONS"

₹ Crore

			Note No.	AS AT 31.03.2025	AS AT 31.03.2024
(1)	**Sales**				
	A	**Manufactured Products**	31A		
		Fertilizers		2842.93	2585.63
		Industrial Products		1654.77	1708.65
				4497.70	4294.28
	B	**Bought-out Products**	31A		
		Fertilizers		2535.52	2130.00
		Net Sales		7033.22	6424.28
(2)	**Other Operating Revenues**				
	Subsidy on Urea & Complex Fertilizers* (Refer Note No. 49)		31B	9855.35	10515.63
	Sale of Scrap			11.97	12.76
	Management Fees -For Services rendered			11.67	11.67
	Margin on Tie- ups			21.43	16.97
	TOTAL			**9900.42**	**10557.03**
	Revenue from Operations			**16933.64**	**16981.31**

*Subsidy includes ₹(105.00) crore [P.Y. ₹148.00 crore] in respect of earlier years, determined during the year (Payable)/Receivable

NOTE NO. 31A "SALES - PRODUCT WISE BREAK-UP"

₹ Crore

			AS AT 31.03.2025	AS AT 31.03.2024
1	**Manufactured**			
	A	**Fertilizers**		
		Suphala 15 : 15 : 15	1693.36	1421.82
		Urea / Neem Coated Urea	1056.20	1110.74
		Others	93.37	53.07
			2842.93	**2585.63**
	B	**Industrial Products**		
		Ammonia	286.05	523.39
		Dilute Nitric Acid	74.91	108.85
		Concentrated Nitric Acid	84.35	111.86
		Ammonium Bi-carbonate	55.97	50.03
		Methylamines	121.10	117.88
		Ammonium Nitrate Melt	921.15	695.56
		Others	111.24	101.08
			1654.77	**1708.65**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

₹ Crore

		AS AT 31.03.2025	AS AT 31.03.2024
2	**Bought-out Products**		
	Imported Di Ammonium Phosphate	1551.87	1272.80
	Imported Muriate of Potash	416.56	-
	Imported S 15 15 15	-	86.35
	Imported NPK 10:26:26	301.60	449.03
	Imported NPK 20:20:0:13	169.91	293.87
	Imported TSP	56.39	-
	Others	39.19	27.95
		2535.52	**2130.00**
	TOTAL	**7033.22**	**6424.28**

NOTE NO. 31B "SUBSIDY ON UREA & COMPLEX FERTILIZERS"

₹ Crore

		AS AT 31.03.2025	AS AT 31.03.2024
1.	**Manufactured Fertilizers**		
	Price	7284.83	7952.74
	Freight	431.45	431.12
		7716.28	8383.86
2.	**Bought-out Fertilizers**		
	Price	1978.90	1983.80
	Freight	160.17	147.97
		2139.07	2131.77
	TOTAL	**9855.35**	**10515.63**

NOTE NO. 32 " OTHER INCOME"

₹ Crore

		Year Ended 31.03.2025	Year Ended 31.03.2024
1.	**Interest Income on Financial Assets carried at Amortised Cost**		
	a. On Loans to Employees	-	0.01
	b. On Deposits with Bank and Others	42.18	42.92
	c. From Customers [includes ₹ 0.06 crore (P.Y. ₹ 0.86 crore) crore dues from DOF]	3.73	3.69
	d. From Others	0.01	0.11
		45.92	46.73
2.	**Interest Income on Taxes**		
	a. On Income Tax Refund	21.42	4.43
	b. On Sales Tax Refund	-	0.01
		21.42	**4.44**
	TOTAL	**67.34**	**51.17**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

₹ Crore

		Year Ended 31.03.2025	Year Ended 31.03.2024
3.	**Dividend Income**		
	Dividend from Equity Investment measured at fair value through OCI	0.50	0.47
		0.50	0.47
4.	**Other Non-Operating Income**		
	a. Net Gain arising on Financial Assets measured at FVTPL		
	i. Gain / (Loss) on Sale of Mutual Fund Investments*	6.86	9.64
	ii. Gain / (Loss) on Derivatives	(1.44)	(7.99)
		5.42	1.65
	b. Profit on Sale of Fixed Assets (Net)	0.06	0.16
	c. Bad Debts Recovered	-	0.12
	d. Rental Income Including Other Recoveries	50.41	47.37
	e. Lease Compensation of Railway Siding	0.20	0.21
	f. Government Grants (Refer Note No. 24B)	0.21	0.09
	g. Amortisation of Deferred Deposits	6.33	5.83
	h. Miscellaneous Income	34.38	58.42
		91.59	112.20
	Less: Transfer to Research and Development Expenses (Refer Note No. 39C)	(0.03)	(0.06)
		164.82	**165.43**

* During the year purchased mutual funds amounting ₹ 5484.73 crore (P.Y. ₹ 5285.74 crore) and mutual fund sold ₹ 5491.59 crore (P.Y. ₹ 5295.38 crore).

NOTE NO. 33 "COST OF MATERIALS CONSUMED"

₹ Crore

	Note No.	Year Ended 31.03.2025	Year Ended 31.03.2024
Raw Materials	**33A**	5687.91	6220.54
Packing Materials		134.42	127.97
Less : Transferred to Research & Development (Refer Note No. 39C)		(0.72)	(0.01)
TOTAL		**5821.61**	**6348.50**

NOTE NO. 33A "ITEMWISE BREAKUP OF MATERIALS CONSUMED"

₹ Crore

	Year Ended 31.03.2025	Year Ended 31.03.2024
RAW MATERIALS		
Rock Phosphate	170.32	167.05
Di-Ammonium Phosphate	-	2.75
Mono-Ammonium Phosphate	605.95	632.13
Muriate of Potash	436.32	562.32
Sulphur	46.65	32.43

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

₹ Crore

	Year Ended 31.03.2025	Year Ended 31.03.2024
Natural Gas	4316.74	4704.95
Others	111.93	118.91
SUB TOTAL	**5687.91**	**6220.54**
Less : Transferred to Research and Development (Refer Note No. 39C)	(0.72)	(0.01)
TOTAL	**5687.19**	**6220.53**

NOTE NO. 34 "PURCHASES OF STOCK IN TRADE"

₹ Crore

	Year Ended 31.03.2025	Year Ended 31.03.2024
Imported Di Ammonium Phosphate	2336.34	3113.32
Imported Muriate of Potash	365.80	-
Imported TSP	123.76	-
Imported S 15:15:15	-	109.31
Imported S : 20:20:0:13	327.20	534.29
NPK 10:26:26	549.69	533.72
Others	33.01	20.48
SUB TOTAL	**3735.80**	**4311.12**
Less: Transferred to Plant for internal consumption		
Imported DAP / MOP / TSP	**(23.22)**	**-**
TOTAL	**3712.58**	**4311.12**

NOTE NO. 35 "CHANGES IN INVENTORIES OF FINISHED GOODS & STOCK IN TRADE"

₹ Crore

	Note No.	Year Ended 31.03.2025	Year Ended 31.03.2024
Opening Stock			
Finished Goods	**35A**	434.05	366.82
Intermediary Products		75.48	74.07
By-Products		3.93	2.77
Stock in Trade	**35A**	971.80	515.12
Certified Emission Reduction Credits (CER) / Renewable Energy Certificates (REC) / Energy Savings Certificates (E-Cert)		0.29	0.33
Sub-Total		**1485.55**	**959.11**
Closing Stock			
Finished Goods	**35B**	258.15	434.05
Intermediary Products		81.33	75.48
By-Products		2.55	3.93
Stock in Trade	**35B**	394.28	971.80
Certified Emission Reduction Credits (CER) / Renewable Energy Certificates (REC) / Energy Savings Certificates (E-Cert)		0.21	0.29
Sub-Total		**736.52**	**1485.55**
TOTAL		**749.03**	**(526.44)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 35A "OPENING STOCK - PRODUCT WISE BREAK-UP"

₹ Crore

	Year Ended 31.03.2025	Year Ended 31.03.2024
Finished Goods		
1. Manufactured		
A. Fertilizers		
Urea (Trombay)	15.77	2.96
Urea (Thal)	139.30	112.23
Complex Fertilizers	244.22	214.82
Others	32.96	33.60
B. Industrial Products		
Methanol	0.01	0.26
Concentrated Nitric Acid	0.36	0.22
Ammonium Bi-carbonate	0.26	0.21
Methylamines	0.85	1.04
Ammonium Nitrate Melt	0.03	0.04
Dimethyl Formamide	0.08	0.08
Dimethyl Acetamide	0.01	1.25
Argon Gas / Liquid	0.20	0.11
Others	-	-
	434.05	366.82
2. Bought-out Products		
Fertilizers		
Imported Di Ammonium Phosphate	782.90	212.03
Imported NPK 20:20:0:13	182.80	111.37
Imported NPK 10:26:26	1.43	182.82
Others	4.67	8.90
	971.80	**515.12**
TOTAL	**1405.85**	**881.94**

NOTE NO. 35B "CLOSING STOCK - PRODUCT WISE BREAK-UP"

₹ Crore

	Year Ended 31.03.2025	Year Ended 31.03.2024
Finished Goods		
1. Manufactured		
A. Fertilizers		
Urea (Trombay)	26.42	15.77
Urea (Thal)	103.27	139.30
Complex Fertilizers	99.44	244.22
Others	26.48	32.96

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

₹ Crore

	Year Ended 31.03.2025	Year Ended 31.03.2024
B. Industrial Products		
Methanol	0.01	0.01
Concentrated Nitric Acid	0.98	0.36
Ammonium Bi-carbonate	0.74	0.26
Methylamines	0.55	0.85
Ammonium Nitrate Melt	0.03	0.03
Dimethyl Formamide	0.07	0.08
Dimethyl Acetamide	0.01	0.01
Argon Gas / Liquid	0.15	0.20
Others	-	-
	258.15	434.05
2. Bought-out Products		
Fertilizers		
Imported Di Ammonium Phosphate	-	782.90
Imported Muriate of Potash	15.52	-
Imported NPK 20:20:0:13	234.03	182.80
Imported NPK 10:26:26	142.17	1.43
Others	2.56	4.67
	394.28	**971.80**
TOTAL	**652.43**	**1405.85**

NOTE NO. 36 "EMPLOYEE BENEFITS EXPENSE"

₹ Crore

	Year Ended 31.03.2025	Year Ended 31.03.2024
Salaries, Wages and Bonus	500.91	473.68
Contribution to Provident Fund and Other funds	47.74	35.24
Contribution to Gratuity Fund	5.91	5.53
Workmen and Staff Welfare Expenses	88.09	77.44
	642.65	591.89
Less: Transferred to Research and Development (Refer Note No. 39C)	(2.71)	(2.71)
Share recoverable from Thal Ammonia Extension and Others	(42.02)	(46.40)
	(44.73)	(49.11)
TOTAL	**597.92**	**542.78**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 37 "FINANCE COSTS"

₹ Crore

		Year Ended 31.03.2025	Year Ended 31.03.2024
1	**Interest on Financial Liabilities carried at Amortised Cost**		
	a. Interest on Term Loans from Banks	31.10	36.51
	b. Interest on Non-Convertible Debentures	59.61	52.86
	c. Interest on Working Capital from Banks	124.63	82.41
	d. Interest on Other Loans and Deposits	5.10	4.93
	e. Unwinding of Discount on Deposits	6.01	5.34
	f. Other Borrowing Costs	0.52	0.78
	g. Exchange Differences Regarded as an Adjustment to Borrowing Costs	24.59	3.54
	h. Interest Expense on Lease Liabilities	0.98	1.26
		252.54	187.63
2	**Other Finance Costs**	1.14	(3.99)
	TOTAL	**253.68**	**183.64**

NOTE NO. 38 "DEPRECIATION AND AMORTISATION EXPENSES / IMPAIRMENT"

₹ Crore

		Year Ended 31.03.2025	Year Ended 31.03.2024
i.	Depreciation on Property Plant and Equipment	252.32	221.36
ii.	Impairment on Property Plant and Equipment	5.31	7.94
iii.	(Reversal) of Impairment on Property Plant and Equipment	-	(4.12)
iv.	Depreciation on Investment Property	0.19	0.17
v.	Amortisation on Intangible Assets	0.23	0.41
vi.	Depreciation on Right of Use Asset	5.48	5.64
vii.	Impairment on Right of Use Asset	-	1.92
viii.	Impairment on Capital work in progress	-	0.61
	Total Depreciation / Amortisation Impairment provided during the year	263.53	233.93
	Less : Under Research and Development (Refer Note No. 39C)	(0.77)	(0.83)
	As reported under Statement of Profit & Loss:	**262.76**	**233.10**

NOTE NO. 39 " OTHER EXPENSES"

₹ Crore

	Note No.	Year Ended 31.03.2025	Year Ended 31.03.2024
Stores and Spares		72.38	66.10
Power and Fuel		3841.15	4178.55
Water Charges		129.38	207.16
Repairs and Maintenance	**39A**	222.34	243.81
Freight and Handling Charges		892.21	869.58
Rent		7.14	10.27

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

₹ Crore

	Note No.	Year Ended 31.03.2025	Year Ended 31.03.2024
Rates and Taxes		12.42	11.79
Insurance		29.12	48.87
Miscellaneous Expenses	39B	171.87	155.28
Less: Transferred to Research & Development Expenses (Refer Note No. 39C)		(0.26)	(0.68)
TOTAL		**5377.75**	**5790.73**

NOTE NO. 39A "REPAIRS AND MAINTENANCE"

₹ Crore

	Year Ended 31.03.2025	Year Ended 31.03.2024
Plant and Machinery	175.58	196.02
Buildings	26.92	26.35
Other Assets	20.90	22.36
	223.40	**244.73**
Less: Transferred to Research & Development Expenses (Refer Note No. 39C)	(1.06)	(0.92)
TOTAL	**222.34**	**243.81**

NOTE NO. 39B "MISCELLANEOUS EXPENSES"

₹ Crore

	Note No.	Year Ended 31.03.2025	Year Ended 31.03.2024
Security Expenses-Factory and Others		61.82	59.41
Electricity Charges-Township and Offices		8.12	6.29
Advertisement		1.20	1.34
Bank Charges		5.63	6.52
Promotion and Publicity		3.03	16.73
Hire Charges for Vehicles		4.98	4.83
Travelling Expenses		5.37	5.90
Entertainment Expenses		0.05	0.04
Research and Development Expenses	39C	7.14	7.38
Loss on Fixed Assets Sold /Discarded		0.70	1.54
Foreign exchange Loss/(Gain)		35.17	11.18
Corporate Social Responsibility Expenses		16.15	17.93
Provision for Doubtful Debts/ Claims/ Advances		0.03	2.40
Provision for Obsolescence of Stores		(0.41)	0.52
Bad Debts Written Off		0.07	-
Provision of Earlier Years no Longer Required		(9.98)	(10.41)
Liabilities for Expenses no Longer Required		(10.24)	(8.31)
Recovery of Share of Common Expenses		(23.66)	(18.10)
Other Expenses *		66.70	50.09
TOTAL		**171.87**	**155.28**

* Includes Directors' Sitting Fees C.Y. ₹ 0.09 crore, P.Y. ₹ 0.14 crore

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 39C "RESEARCH & DEVELOPMENT EXPENSES"

₹ Crore

	Year Ended 31.03.2025	Year Ended 31.03.2024
Salaries and Staff Welfare Expenses	2.71	2.71
Repairs and Maintenance	1.06	0.92
Depreciation	0.77	0.83
Direct Research Expenditure	1.65	2.29
Other Expenses	0.10	0.17
Handling Charges	0.16	0.51
Materials Consumed	0.72	0.01
SUB TOTAL	**7.17**	**7.44**
Less: Transferred from Other Income (Refer Note No.32)	(0.03)	(0.06)
TOTAL	**7.14**	**7.38**

NOTE NO. 40 "EXCEPTIONAL ITEMS"

₹ Crore

	Year Ended 31.03.2025	Year Ended 31.03.2024
Transferable Development Rights [Expense or Loss / (Income or Gain)] (Refer Note No. 59)	(4.37)	(40.32)
TOTAL	**(4.37)**	**(40.32)**

NOTE NO. 41 "OTHER COMPREHENSIVE INCOME"

₹ Crore

	Year Ended 31.03.2025	Year Ended 31.03.2024
Items that will not be reclassified to profit or loss		
Remeasurements of Defined Benefit Plans	(46.65)	(24.45)
Fair Value Equity Instruments (IPL Shares)	1.75	22.48
	(44.90)	(1.97)
Less: Income Tax / Deferred Tax Relating to Above Items	10.45	(3.57)
TOTAL	**(34.45)**	**(5.54)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 41A "DISCLOSURE OF FINANCIAL ASSETS AND LIABILITIES AS PER IND AS 107 "

₹ Crore

		AS AT 31.03.2025	AS AT 31.03.2024
I)	**FINANCIAL ASSETS**		
a	BREAKUP OF FINANCIAL ASSETS AT FAIR VALUE THROUGH OCI		
	Investments - Fully Paid Shares	121.51	119.76
	TOTAL	**121.51**	**119.76**
b.	BREAKUP OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT & LOSS		
	Derivatives	9.65	9.72
	Transferable Development Rights	81.30	76.93
	TOTAL	**90.95**	**86.65**
c.	BREAKUP OF FINANCIAL ASSETS CARRIED AT AMORTISED COST / COST		
	Loans	-	5.11
	Others Financial Assets	154.74	256.68
	Trade Receivables	3100.67	3549.67
	Cash and Cash Equivalents	987.03	156.49
	Other Bank Balances	48.71	196.45
		4291.15	**4164.40**
d.	BREAKUP OF FINANCIAL ASSETS CARRIED AT COST		
	Investments - Joint Ventures	892.31	794.82
	Total	**892.31**	**794.82**
	TOTAL FINANCIAL ASSETS	**5395.92**	**5165.63**
II)	**FINANCIAL LIABILITIES**		
a.	BREAKUP OF FINANCIAL LIABILITIES CARRIED AT AMORTISED COST		
	Borrowings	2751.92	3283.25
	Trade Payables	2216.52	1935.59
	Interest Accrued but Not Due on Borrowings	52.76	37.03
	Unclaimed Dividend	1.69	1.69
	Creditors on Capital Account	94.77	62.84
	Standing Deposit from Customers	40.81	44.54
	Trade Deposit from Customers	97.59	96.45
	Earnest Money Deposit & Security Deposit from Vendors	122.24	133.56
	Ex-gratia & Employee Benefits	39.27	27.29
	Other Payables - Tie Ups	257.06	256.22
	ROU Lease Liability	10.29	13.39
	Total	**5684.92**	**5891.85**
	TOTAL FINANCIAL LIABILITIES	**5684.92**	**5891.85**

The above referred carrying values of Financial Assets and Liabilities approximate its fair value as at the balance sheet date.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 42 "CONTINGENT LIABILITIES (NOT PROVIDED FOR)"

42.1 Claims against the Company not acknowledged as debts to the extent ascertainable (including interest wherever, ascertainable/can be reliably estimated) and not provided for net of payment/liability provided: -

(₹ Crore)

Sr. No	Particulars	As at 31.03.2025	As at 31.03.2024
1	**Claims on the Company not acknowledged as debts' Contractors / Suppliers/ Arbitrators etc.**	161.12	161.16
2	**Demands raised by various authorities that may arise in respect of matters in appeal**		
	Excise Duty (D) (Refer note no 42.1.1)	85.38	88.85
	Sales Tax	2.72	5.49
	Income Tax	55.09	86.61
	Service Tax	16.33	16.33
	Custom Duty	81.01	80.93
	GST	1.28	1.31
	Provident Fund Authorities	0.17	-
3	Water charges claimed by Municipal Corporation of Greater Mumbai (Refer note no 42.1.2)	36.73	36.73
4	Claims preferred by local authorities	8.82	8.77
5	Claims preferred by port authorities	28.65	28.65
	GRAND TOTAL	**477.30**	**514.83**

42.1.1 Includes an amount of ₹ 21.28 crores (P.Y. ₹ 21.28 crores) towards duty, interest and penalty relating to purchase of Naphtha at concessional rate of excise duty for the purposes other than mentioned in the exemption notification for the period upto February-2005. This has been appealed by the Company and the matter is listed with the Honble Supreme Court, which is yet to be decided.

42.1.2 Out of the above ₹ 36.73 crores, demand of ₹ 33.48 crore raised by Municipal Corporation of Greater Mumbai (BMC) towards additional sewerage charges levied from 05.04.1987 are disputed by the Company in a Writ Petition filed in Bombay High Court. The Honorable High Court vide its interim Order dated 10-11-92 has granted stay on recovery of the demand for the period up to the date of the Order and directed the Company to pay sewerage charges from the date of the order which is being paid by the Company. The matter has been disposed off by the High Court and the Company approached Supreme Court. Supreme Court has directed the Bombay High Court to hear the matter and decide on merits based on facts of the case. The Stay granted on the said matter continues.

As a part of an agreement entered into with BMC for obtaining raw sewerage, the Company has paid an interest free deposit of ₹ 16.00 crore to BMC representing approximately 50% of the disputed demand which would be adjustable against the disputed demand in case the Court rules in favor of BMC. No provision is considered necessary for the disputed demand of ₹ 33.48 crore as the claim of BMC is not tenable.

42.1.3 Owing to non-compliance of Corporate Governance requirements as mandated by SEBI, with reference to composition of Independent Directors in the Board, the Company is in receipt of notice of penalty aggregating to ₹1.30 crore (P.Y.₹0.78 Crore) for a period December 2021 to December 2024 from the stock exchanges (BSE & NSE).Since the appointment of Directors is done by Government of India, the Company has approached its Administrative Ministry for ensuring the compliance and has also approached the stock exchanges for condonation/waiver of the penalty. The Company is confident that this penalty would be waived.

The Company is in receipt of notice of penalty aggregating to ₹ 0.33 crore (P.Y. ₹ 0.01 Crore) from the stock exchanges (BSE & NSE) for a period December 2021 to December 2024 for non-compliance of composition of the Audit Committee in line with Regulation 18, Nomination and Remuneration Committee in line with Regulation 19, Stakeholders Relationship Committee in line with Regulation 20, Risk Management Committee in line with Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

approached the stock exchanges for waiver of the penalty. Company is confident that this penalty would be waived.

42.2 The amount of claims in respect of legal cases filed against the Company for labour matters relating to regular employees and not acknowledged as debts is not ascertainable and hence no provision is made. However, with respect to matter relating to payment of overtime wages, a stay order has been obtained by the Company from High Court, pending disposal with submission of Bank guarantee amounting to ₹ 12.00 Crore.

42.3 In respect of clause 42.1 to 42.2 above, it is not practicable for the Company to estimate the closure of these issues and the consequential timing of cash flows, if any.

NOTE NO. 43 Other Commitments:

(₹ Crore)

Particulars	As at 31.03.2025	As at 31.03.2024
Capital Expenditure Commitments (Net of advances)	2083.77	754.62
Commitment Towards Investments in JV (Talcher Fertilizers Ltd)	1267.51	1364.19

44. **Wagons leased to Indian Railways "Under Own your Wagons Scheme"**

The lease agreement with Railways has expired in FY 2019-20 and is under renewal. As the wagons are still in the custody of Railways, Company has recognized income of ₹ 0.35 crore (P.Y ₹ 0.35 crore) for the period after completion of finance lease based on the minimum lease rentals expected under negotiation with the Railways.

As the terms of lease are yet to be finalized the said transaction is now treated as Short-term Operating Lease.

45. Formalities relating to transfer of certain immovable and other properties situated at Trombay Unit, from Fertilizer Corporation of India Limited to the Company on reorganization of the former in 1978 are not yet completed. Out of property cards for a total area of 30,42,108 Sq. meters (P.Y. 30,42,108 Sq. meters), property cards for 3,75,826 Sq. meters (P.Y. 3,75,826 Sq. meters) are yet to be transferred in the name of the Company. The Company is in the process of obtaining transfer of title deeds in its favour.

Out of total area of 50,52,476 Sq. meters' area at Thal Unit, the title deeds relating to area of 32,27,573 Sq. meters (P.Y. 32,27,573 Sq. meters) area are in the name of the Company. The balance title deeds w.r.t 18,24,903 Sq meter of land are in the process of being transferred in the name of the Company. Freehold land at Thal Unit includes land at Kihim having carrying cost of ₹ 0.02 crore, pending execution of documents and transfer of title deeds in the name of the Company, due to dispute.

46. In respect of immovable properties other than land i.e. buildings and other structures, situated at its Trombay and Thal units they are self-constructed properties on the land owned by the Company as evidenced by property cards/title deeds of land.

The Company asserts that all these properties are its own and has clear title to the same since such properties are self-constructed on the Company's land, although no separate title documents for self-constructed properties are readily available. The Company has obtained opinion to that effect from the legal and regulatory experts on land matters and also has other documentary evidence in that regard.

The Company had come into existence in 1978 as a result of Government of India reorganizing Fertilizer Corporation of India Ltd. and National Fertilizers Ltd. Consequent to the same, major portion of immovable assets at its Trombay unit became vested with the Company. In case of Thal unit, such properties on the Company's land were erected over the years following land acquisition effected around 1978. Thus records pertaining to self-constructed properties are not readily available since they date back to more than 40 years. The Company has initiated the process of obtaining appropriate evidence of the approvals/permissions taken for construction of the self-constructed properties from the respective regulatory authorities.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

Apart from such properties, immovable properties, including land for which title deeds are not in the name of the Company is detailed as under: -

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in crores)	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
PPE	**Land**				
	Thal Land	**1.60**	**No**	**1978-84**	The Company is in the process of obtaining the Transfer of title deeds in its favour and is in the process of resolving the matter in respect to its valuation.
	Trombay Land	**0.24**	**No**	**1978**	The Company is in the process of obtaining the Transfer of title deeds in its favour.
	Building				
	Thal – Kihim Township	**3.09**	**No**	**1984**	The Company is in the process of obtaining evidence of title / permissions / approvals etc.

47. Balance of subsidy receivables includes certain amounts receivable from Government recognized on estimated basis and are subject to confirmation.

48. In FY 2022-23, the Company was in receipt of debit note from Gail India Ltd. towards pooled price differential, worked out on an annual basis for the year 2021-22. As per the same, the Company is required to contribute additionally to the pool account. It has been observed that the differential has been arrived at by substituting EPMC gas meant for Urea Operations with cheaper market price gases specifically contracted by the Company for non-urea operations.

Similarly, as per Department of Fertilizer's (DoF) directives during the year 2022-23, the Company had sourced Spot gas for its urea operations in lieu of gas sourced under the EPMC mechanism which also has not been considered in the pool price and was substituted with cheaper market price gases specifically contracted by the Company for non-urea operations resulting in additional contribution to the pool account.

The Company is of the view that EPMC gas / Spot gas is specifically meant for urea operations and thus needs to be subsumed in arriving at the final pool price and the same should be considered in the subsidy of urea, since the cost of gas is a pass through. The matter has been represented to DoF.

As the non-recognition of such EPMC Gas / Spot gas sourced as per DoF's directives for Urea Operations is not in accordance with the principles of gas pooling mechanism, the Company has continued to recognize such differential i.e. (EPMC / Spot gas price – Cheaper market gas price) amounting to ₹ 80.57 crore cumulatively till March 2025 for FY 2021-22 which has been shown as receivable from DoF.

Further, Company has disputed the demand of ₹ 52.18 crore raised by GAIL towards pool price differential as against receivable of ₹ 71.39 crore for FY 22-23 which has been arrived at on account of non-recognition of EPMC gas/Spot gas in Urea by FICC by substituting EPMC gas/Spot gas with cheaper RLNG gas sourced for non-urea operations. The total disputed amount for the year 2022-23 stands at ₹ 123.57 crore. Based on Company's representation DoF has directed GAIL to keep the demand under abeyance and the said matter is under examination by DoF.

49. The Company is eligible to receive subsidy from Fertilizer Industry Co-Ordination Committee (FICC) / Department of Fertilizers (DOF) on Urea, Phosphatic and Potassic (P & K) Fertilizers at the rates notified from time to time.

Subsidy is further adjusted for escalations/de-escalations in the cost of inputs and other costs, as estimated by the management based on the prescribed norms in line with known policy parameters. Accordingly, the subsidy adjusted on account of this escalations/de-escalations basis for the year amounts to ₹ 247.88 crore refundable to FICC/DOF (PY ₹ 409.39 crore refundable).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

Upon introduction of Direct Benefit Transfer (DBT) schemes for all Fertilizer Companies, there is shift in procedure for generation of subsidy claims with respect to Price subsidy & disbursement thereon. As per the same, Company is entitled for generation of claims/receipt of subsidy on the basis of actual sale by the retailers on weekly basis through POS machines. Accordingly, as on 31.03.2025, quantity of 5.77 LMT of urea and P&K having subsidy amounting `1416.46 Crore has been recognized in the current period, as such quantity has been sold to dealers but the payment of the same will become due under DBT on actual sale by the retailers through POS machines. (P.Y quantity 8.58 LMT and subsidy ₹ 2141.70 crore).

50. Directives have been given to Fertilizer CPSE's by Department of Fertilizers (DOF) vide letter No F.21-01/2023-FM dated 21st September, 2023 and to the Company vide letter No. F.21-01/2023-FM dated 08th February, 2024 to ensure availability of Phosphatic and Potassic (P&K) fertilizers in Rabi 2023-24 and undertake such procurement on priority with the assurance that the price adversity if any on such procurements beyond applicable NBS Subsidy rates will be addressed by DOF to protect at No profit No loss basis. Further, DOF vide File Number 21-01/2023-FM-Part (1) dated 29th May 2024 have also allowed consideration of price adversity beyond applicable NBS rates to ensure No Profit No Loss for unsold inventory and sales yet to be acknowledged in POS by farmers as on 30th September, 2023.The Company has submitted its claim in respect of the above which is under process by DoF for actual sales effected. Accordingly during the year ended 31st March 2025, the Company has recognized such differential based on its estimates amounting to ₹175.24 crore towards the same.

Further, additional imports of DAP were also undertaken as per the directives of DOF with assurance vide letter no.21-01/2023-FM dated 12th June 2024 and letter no.21-2/2022-FM(PT) dated 20th August 2024 that the relevant issues will be suitably addressed. Subsequently, DoF vide letter no.23011/124/2024-P & K dated 23rd September 2024 announced an additional one-time package of ₹ 3500 PMT on DAP over and above the subsidy under NBS scheme. Further, DoF vide letter no.23011/127/2024-P & K dated 01st October 2024 also notified that advantage/disadvantage on upward/downward trend in the CFR prices of shipments of DAP and other P & K fertilizers which arrive w.e.f 01st September 2024 to 31st March 2025 will be addressed vis-a-vis the benchmark rates considered under NBS. Accordingly during the year the Company has recognized such differential (i.e over and above the benchmark price) based on its estimates amounting to ₹ 113.60 crore on DAP imports undertaken during 01st September 2024 to 31st March 2025.

51. On 20th and 22nd March, 2019 respectively, both the Gas Turbine Generator (GTG) plants at Thal unit stopped operating. Upon failure, the matter was taken up with the LSTK contractor who had supplied the turbines, for repair, as the same were covered under warranties. The matter was referred by the LSTK contractor for repairs to the Original Equipment Manufacturer (OEM) who had indicated a total estimated expenditure of about 98 Million SEK (₹ 74.51 crore excluding taxes and duties).

As the equipment's are covered under warranties, the Company is of the view that no additional costs would devolve on the Company. Further the Company had initiated arbitration proceedings towards the LSTK contractor citing loss of profits owing to higher energy costs, higher maintenance costs etc. In response, counterclaims have been made by the LSTK contractor and the award was received in favour of the Company. The LSTK contractor has challenged this award in High Court.

The LSTK contractor has deposited the amount as directed by the Court with Company. However in the event, the Petition is allowed and the award is set aside, either in whole or in part, by the Court, the Company is obligated, within 10 days from the date of such order, to refund the entire amount of ₹ 218.46 crore deposited by M/s Thermax Ltd or any other amount as may be directed by the Court along with interest @ 6% per annum or such other rate as may be directed by Court which has accrued from date of such deposit.

52. Company had surrendered land of 48,849.74 sq. meters to MMRDA for construction of Anik Panjarapole Link Road in February 2012 towards which it was entitled to receive TDRs to the extent of land surrendered. Out of which land of 8,265 sq. meters was unencumbered and balance land of 40,584.74 Sq meters was encumbered. Company was in receipt of TDR of 16,530 sq meters in 2017 from MCGM (2 times the unencumbered land). Further in accordance with Development Control Regulation of Greater Mumbai, 1991, Company has also recognized additional TDR credit, being 20% bonus on the unencumbered land surrendered (8265.00 sq. meters X 20% = 1653 sq meters).

For remaining 40,584.74 sq. meters of encumbered land, the Company has recognized additional TDR credit receivables of 10,146 sq. meters (40,584.74 sq. meters X 25% = 10,146 sq. meters) in accordance with regulation 34 of Development Control Regulation 1991 of Greater Bombay as recommended by MMRDA.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

53. As per Ind AS 19 Employee Benefits, for Defined Benefit plans, the Company is required to ascertain the present value of the defined benefit obligation and compare with the fair value of the Plan assets to determine the surplus or deficit, if any, as at Balance Sheet date. Deficit, if any, needs to be accounted in the books of the Company. Accordingly, the Company had recognized a liability of ₹ 24.21 crore as at 31.03.2023. Upon review of fair value plan assets as compared to present value of the defined benefit obligation, the deficit stands reduced to ₹ Nil crore as at 31.03.2025 resulting in an reversal of provision amounting to ₹ 4.00 Crore during the year. (P.Y. ₹ 20.21 crore reversal of provision). Provision on account of interest shortfall determined through actuarial valuation has been recognized amounting to ₹ 3.72 crore (PY ₹ 1.89) in statement of Profit and Loss and ₹ 3.40 crore (PY ₹ 16.18 crore) in Other Comprehensive Income respectively.

54. **Based on the nature of business activities undertaken by the Company and requirement of Ind AS 108-Operating Segment, following are the operating segments identified**

Segment	Nature of activities
Fertilizers	Production and supply of various grades of Fertilizers for agricultural use.
Chemicals	Production of various chemicals and supply to diverse industries
Trading	Represents fertilizers imported / locally sourced and marketed for agricultural use.

The necessary disclosures as required under Ind AS 108-Operating Segments are given in **Annexure-1.**

The segment revenue and segment results are arrived at based on the revenues generated out of sale of such products and the costs attributable are reduced for arriving at the segment results. Assets are allocated to operating segments based on the intended use for which the asset was primarily installed. Liabilities are allocated to operating segments to which it relates to.

NOTE NO. 55 Disclosures under Ind AS 24 on Related Party Transactions are given below:

55.1 Transactions with Joint Controlled Entities

1) Relationship

JOINT CONTROLLED ENTITIES

Name of the Company	No of Shares (F.Y. 2024-25)	No of Shares (F.Y. 2023-24)	Country of Incorpo-ration	% of Ownership interest as at	
				31.03.2025	31.03.2024
1) URVARAK VIDESH LTD.(UVL)$	1,80,002 of ₹ 10 each	1,80,002 of ₹ 10 each	India	33.33	33.33
2) TALCHER FERTILIZERS LIMITED (TFL) #	90,21,47,291 of ₹ 10 each	80,54,80,826 of ₹ 10 each	India	33.33	33.33

$ Consequent to full provision recognized towards the investments made in UVL as per Indian GAAP, the carrying value as on the date of transition has been recognized as deemed cost of investment which is NIL as on Ind AS transition date. i.e. 1st April 2015.

Further UVL has been declared as Dormant Company on 04.11.2015 by Registrar of Companies, New Delhi.

The shareholding is subject to change depending on the final value of the assets transferred by The Fertilizer Corporation of India Limited to Talcher Fertilizer Ltd.

National Company Law Tribunal (NCLT) proceedings have been initiated vide order dated January 11, 2024 on FACT-RCF Building Products Limited (FRBL) [Joint Venture of RCF and FACT] and a Resolution Professional (RP) has been appointed in place in January 2024. However, there is no impact on Company's financial statements, as the Company has made full provision of its investments/dues from FRBL in earlier years. Consequent to appointment of RP, the Board of FRBL stands superseded and the promoter Companies have lost the powers to exercise control of the Joint Venture and related party disclosures relating to dues is given.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

Transactions during the year with the above referred related parties:

(₹ Crore)

Sr. No.	Particulars	Year ended 31.03.2025	Year ended 31.03.2024
1	Contribution towards share capital-TFL	96.67	-
2	Reimbursement of Share of Expenses from TFL	6.20	5.93

Balance Outstanding:

(₹ Crore)

Sr. No.	Particulars	As at 31.03.2025	As at 31.03.2024
		Joint Ventures	Joint Ventures
1	Advances Given –FRBL *	37.87	37.87
2	Reimbursement of Share of Expenses receivable from TFL	10.65	14.58

*The same has been fully provided.

55.2 Transactions with other entities- where Directors are interested:

a) Name of the entity & transactions

(i) Projects and Development India Limited (PDIL) - Owing to Ms Nazhat J. Shaikh Director (Finance) holding additional charge as Director (Finance) of PDIL from 04th February, 2022 to 8th February 2024 and relevant disclosure are given.

(₹ Crore)

Sr. No.	Nature of Transaction	2024-25	2023-24
1	Transactions during the year*	-	2.75
2	Accounts receivable/(payable) as at 31st March	-	**(0.60)**

* Consultancy services etc.

(ii) Fertilisers and Chemicals Travancore Limited (FACT) – Owing to Shri S. C. Mudgerikar, CMD holding additional charge as Chairman & Managing Director of FACT as per directives of DoF from 23rd February, 2024.

(₹ Crore)

Sr. No.	Nature of Transaction	2024-25	2023-24
1	Loan Repayment and Interest Received during year from FACT	5.58	5.53
2	Transactions during the year*	0.08	0.07
3	Accounts receivable/(payable) as at 31st March	(0.08)	(0.07)
4	Outstanding Loan amount and Interest Receivable as at 31st March	-	5.38

* Procurement of raw materials, Services, reimbursement etc.

b) Disclosure as per Section 186 of the Companies Act, 2013

(₹ Crore)

Sr. No.	Name of Party	Amount as on 31.03.2025	Amount as on 31.03.2024
1	FACT Ltd (Joint Venture Partner in FRBL) Inter Corporate Loan	-	5.10
2	Investment in Indian Potash Limited	0.17	0.17
3	Investment in Talcher Fertilizers Limited	**902.15**	**805.48**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

55.3 Key Management Personnel

a) Whole Time Directors & Company Secretary

(i) Shri S. C. Mudgerikar , Chairman & Managing Director

(ii) Ms. Nazhat J. Shaikh, Director (Finance) and CFO

(iii) Ms. Ritu Goswami, Director (Technical)

(iv) Shri. Niranjan Sonak, Director (Marketing) (From 28.01.2025)

(v) Shri Milind M. Deo, Director (Technical) (Upto 30.09.2023)

(vi) Shri Jai Bhagwan Sharma, Company Secretary

b) Independent Directors

(i) Ms. Shashi Bala Bharti (Upto 24.06.2023)

(ii) Shri Chandra Bhushan Pandey (upto 06.11.2023)

(iii) Shri Gopinathan Nair Anilkumar (Upto 04.11.2024)

c) Government Nominee Directors

(i) Ms. Aneeta C. Meshram

(ii) Shri Sanjay Rastogi (upto 04.01.2024)

(iii) Dr. Ajay Shanker Singh (Upto 18.02.2025)

(iv) Ms. Aparna Sharma (From 18.02.2025)

Details relating to parties referred above:

(i) **Remuneration:**

(₹ Crore)

Particulars	Year ended 31.03.2025	Year ended 31.03.2024
Shri. S C Mudgerikar	0.84	1.14
Ms. Nazhat J Shaikh	0.70	0.89
Shri. Milind M Deo	-	1.23
Shri. Niranjan Sonak	0.13	-
Mrs. Ritu Goswami	0.53	0.11
Shri. Jai Bhagwan Sharma	0.59	0.70
Total	**2.79**	**4.07**

The above amount includes salaries and allowances, contribution to Provident fund, pension etc. and actual payments towards leave encashment, if any including provisions made for gratuity, leave encashment and post-retirement medical benefits made on actuarial basis.

There have been no outstanding loans and advances from the above referred parties as at year end.

(ii) Sitting Fees in case of Independent Directors

(₹ Crore)

Particulars	Year ended 31.03.2025	Year ended 31.03.2024
Ms. Shashi Bala Bharti	-	0.02
Shri Chandra Bhushan Pandey	-	0.04
Shri Gopinathan Nair Anilkumar	0.09	0.08
Total	**0.09**	**0.14**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

55.4 Transaction with other Government related Entities

In the ordinary course of its business, the Company enters into transactions with other Government controlled entities. The Company has transactions with other Government-controlled entities, including but not limited to the following:

- Purchase of Gas, Raw Materials/Finished Goods;
- Purchase of Assets/Spare parts from Original equipment manufacturers (OEMs);
- Sale of Industrial chemicals;
- Rendering and receiving of services;

These transactions are conducted in the ordinary course of business on terms comparable to those with other entities that are not government controlled entities

55.5 Transaction with Trusts

(₹ Crore)

Name of Related Party	Nature of Transactions	2024-25	2023-24
Contribution to Trust			
RCF Ltd Employees Provident Fund Trust	Contribution	30.79	14.49
RCF Ltd Employees Gratuity Fund	Contribution	34.87	6.79
Reimbursement of Gratuity pasyment made on behalf of Trust			
RCF Ltd Employees Gratuity Fund	Reimbursement	36.10	30.37
Balance payable/(receivable) as on 31st March of financial year			
RCF Ltd Employees Provident Fund Trust	Contribution	5.57	5.36
RCF Ltd Employees Gratuity Fund	Contribution / Net of reimbursement due	24.35	(6.42)

NOTE NO. 56 Earnings per Share –Basic and Diluted

Particulars	Year ended 31.03.2025	Year ended 31.03.2024
Net profit after tax as per Statement of Profit and loss (₹ crore) (**A**)	242.45	225.28
Weighted Average Numbers of Equity Shares for calculating basic EPS(**B**)	55,16,88,100	55,16,88,100
Basic earnings per Share (in Rupees) (Face Value of ₹ 10/- per share) **(A)/(B)**	4.39	4.08
Diluted earnings per Share (in Rupees) (Face Value of ₹ 10/- per share) **(A)/(B)**	4.39	4.08
EPS from continuing operations (Face Value of ₹ 10/- per share)	4.39	4.08

NOTE NO. 57 "Financial Reporting of interests in Joint Ventures"

The required information is as under: -

JOINT CONTROLLED ENTITIES

Name of the Company	Country of Incorporation	Percentage of ownership interest as on	
		31.03.2025	31.03.2024
1) URVARAK VIDESH LTD.	India	33.33	33.33
2) TALCHER FERTILIZERS LIMITED	India	33.33	33.33

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

A) **FACT-RCF BUILDING PRODUCTS LTD:** - A Joint venture Company with Fertilizers and Chemicals Travancore Ltd. (FACT) for manufacture of rapid building materials from Gypsum at Kochi.

National Company Law Tribunal (NCLT) proceedings have been initiated vide order dated January 11, 2024 on FACT-RCF Building Products Limited (FRBL) [Joint Venture of RCF and FACT] and a Resolution Professional (RP) has been appointed in place in January 2024. However, there is no impact on Company's financial statements, as the Company has made full provision of its investments/dues from FRBL in earlier years. Consequent to appointment of RP, the Board of FRBL stands superseded and the promoter Companies have lost the powers to exercise control of the Joint Venture and accordingly, the financials of FRBL is not consolidated in accordance with Ind AS 110.

B) **URVARAK VIDESH LTD**: - A joint venture with National Fertilizers Ltd. and KRIBHCO for revival of closed Fertilizer Units of FCI/HFC group of companies has been formed. Further URVARAK VIDESH LTD. (UVL) has been declared as Dormant Company on 04.11.2015 by Registrar of Companies, New Delhi.

Summarized financial information of Company's investment in URVARAK VIDESH LTD. (₹ Crore)

Sr. No.	Particulars	As at 31.03.2025 (Audited)	As at 31.03.2024 (Audited)
1	Non-Current Assets	-	-
2	Cash and Cash Equivalent {₹ 5,400 (P.Y ₹ 43,000)}	-	0.01
3	Current Assets other than Cash and Cash Equivalent	0.08	0.07
4	Non-Current Liabilities	-	-
5	Current Liabilities	0.04	0.04
6	Equity	0.04	0.04
7	Proportion of the Company's ownership	33.33%	33.33%
8	Carrying amount of the investment*	0.02	0.02

(₹ Crore)

Sr. No.	Particulars	Year Ended 31.03.2025 (Audited)	Year Ended 31.03.2024 (Audited)
1	Income { ₹ 48,200 (P.Y ₹ 42,000)}	-	-
2	Cost of materials consumed	-	-
3	Depreciation and amortization expense	-	-
4	Finance costs	-	-
5	Employee benefits expenses	-	-
6	Other Expenses	0.01	0.01
7	Profit/(Loss) from continuing operations	(0.01)	(0.01)
8	Total comprehensive income for the year	(0.01)	(0.01)
9	Company's Share of profit /(loss) for the year	(0.01)	(0.01)

*The Company, on implementation of Ind AS had adopted the carrying amount as per IGAAP as its deemed cost of its investment in joint ventures. Hence the value of investment in the financial statements is Nil.

C) **TALCHER FERTILIZERS LIMITED:** - A Joint Venture Company with Coal India Limited (CIL), GAIL (India) Limited and Fertilizer Corporation of India Limited (FCIL) was incorporated on 13th November 2015 for revival of the FCIL's fertilizer unit at Talcher by establishing and operating new coal gasification based fertilizer complex (Ammonia/Urea Complex).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

Summarized financial information of Company's investment in TALCHER FERTILIZERS LTD. (₹ Crore)

Sr. No.	Particulars	As at 31.03.2025 (Audited)	As at 31.03.2024 (Audited)
1	Non-Current Assets	7295.50	5247.61
2	Cash and Cash Equivalent	115.73	145.99
3	Current Assets other than Cash and Cash Equivalent	1014.18	736.77
4	Non-Current Liabilities	4845.21	3133.68
5	Current Liabilities	777.24	612.24
6	Equity	2802.95	2384.45
7	Proportion of the Company's ownership	33.33%	33.33%
8	Carrying amount of the investment	902.15	805.48
9	Capital Commitment	6098.87	7667.17

(₹ Crore)

Sr. No.	Particulars	Year Ended 31.03.2025 (Audited)	Year Ended 31.03.2024 (Audited)
1	Income	12.88	0.59
2	Cost of materials consumed	-	-
3	Depreciation and amortization expense	1.10	0.58
4	Finance costs	-	-
5	Employee benefits expenses	4.67	3.44
6	Other Expenses	4.38	3.87
7	Profit/(Loss) from continuing operations	2.73	(7.30)
8	Total comprehensive income for the year	2.47	(7.34)
9	Company's Share of profit / (loss) for the year	0.82	(2.45)

NOTE NO. 58 Disclosure of additional information pertaining to the Parent Company and Joint Ventures as on 31st March, 2025

(₹ Crore)

Name of Entity in the Group	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount (₹ in crore)	As % of consolidated profit or loss	Amount (₹ in crore)	As % of consolidated profit or loss	Amount (₹ in crore)	As % of consolidated profit or loss	Amount (₹ in crore)
Parent Company								
Rashtriya Chemicals and Fertilizers Limited	81.20	3,853.02	99.66	241.63	100	(34.45)	99.61	207.18
Joint Venture (as per Equity Method)								
Indian								
Urvarak Videsh Limited	-	0.01	-	-	-	-	-	-
Talcher Fertilizers Limited	18.80	892.30	0.34	0.82	-	-	0.39	0.82
Total	**100.00**	**4745.33**	**100.00**	**242.45**	**100.00**	**(34.45)**	**100.00**	**208.00**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. 59 Contingent Assets:

a) As per the Arbitration award received in its favor for the compensation claimed in respect of surrender of land to Mumbai Metropolitan Regional Development Authority (MMRDA) on 23rd May, 2018, The Company is eligible for compensation either in the form of cash / TDRs amounting to ₹ 75.17 crore along with interest over and above the entitled compensation as recommended by Arbitration award. Company has filed an execution application, however MMRDA has obtained stay against the same from Mumbai High Court subject to deposit of 25% of the disputed amount with the Court. MMRDA has deposited 25% of the disputed amount as directed by the Court and the Company has withdrawn the same amounting to ₹ 27.93 crores in F.Y.2020-21 upon submission of bank guarantees of equivalent amount in favour of the Court. The matter is yet to be heard.

b) Further, in respect to action initiated towards certain parties for recovery of its dues, the Company has filed Execution Petitions attaching properties in existence upon receipt of favorable orders from Court amounting to ₹ 0.63 crore (P.Y. ₹ 0.63 crore).

c) In accordance with MOU entered with DOF for Import of Urea, the Company is eligible for interest on delayed settlement of claims from DOF. Accordingly, Company has preferred interest claims amounting to ₹ 30.16 crore towards delay in settlement of balance 2% claims, however has not recognized income towards the same since the same is subject to verification and finalization from DOF.

NOTE NO. 60 Exceptional items:

Exceptional item consists of:

(₹ Crore)

Sr. No.	Particulars	Year ended	
		31.03.2025	31.03.2024
A.	**Transferrable Development Right**		
	Loss / (Gain) on Sale/Revaluation of Development Right Certificate received / receivable from MMRDA towards surrender of land in earlier years to MMRDA/ MCGM.	-	(25.28)
	Loss / (Gain) on Revaluation of valuation of Development Right Certificate received from Municipal Corporation of Greater Mumbai towards surrender of land.	(4.37)	(15.04)
Net Exceptional Expense / (Income)		**(4.37)**	**(40.32)**

NOTE NO. 61 Disclosure as per Ind AS 116 – Leases

(₹ Crore)

Sr. No.	Particulars	31.03.2025	31.03.2024
	Details pertaining to Lease Arrangement considered as ROU		
1	Total Gross Lease liability	12.79	16.87
2	Total Discounted lease liability	10.29	13.39
3	Cash Outflow due to Lease Liability	6.53	6.53
4	Interest charged to PL	0.98	1.26
5	Depreciation charged to PL	5.49	5.63
6	Cancellations charged to PL	-	-
7	**Maturity Profile of Lease Liability**		
	On Demand	-	-
	Less Than 3 Months	1.48	1.52
	3 to 12 Months	2.57	3.82
	1 to 5 years	4.86	6.34
	5 Years & Above	1.38	1.71
	Grand Total	**10.29**	**13.39**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

(₹ Crore)

Sr. No.	Particulars	31.03.2025	31.03.2024
	Details pertaining exemptions availed as Short Term Lease Arrangement and not considered above		
8	During the year charged to P&L	12.74	10.49
9	**Disclosure of undiscounted lease receivables wrt to assets given on Operating lease as a lessor**		
	On Demand	0.10	0.14
	Less Than 3 Months	1.25	1.23
	3 to 12 Months	3.53	3.76
	1 to 5 years	14.33	17.06
	5 Years & Above	0.41	2.14
	Grand Total	**19.62**	**24.33**

62. Further National Company Law Tribunal (NCLT) proceedings have been initiated vide order dated January 11, 2024 on FACT-RCF Building Products Limited (FRBL) [Joint Venture of RCF and FACT] and a Resolution Professional (RP) has been appointed in place in January 2024. However, there is no impact on Company's financial statements, as the Company has made full provision of its investments/dues from FRBL in earlier years. Consequent to appointment of RP, the Board of FRBL stands superseded and the promoter Companies have lost the powers to exercise control of the Joint Venture and accordingly, the financials of FRBL is not consolidated in accordance with Ind AS 110 . M/s FRBL Joint Venture Company of the group was also declared as wilful defaulter by the asset reconstruction company, M/s Omkara Asset Reconstruction Pvt Ltd in an earlier year.

63. Consolidated Employee benefit disclosures, lease disclosures, impairment disclosures, deferred tax liability (net), Trade Receivables ageing, Trade Payables ageing, Details of CWIP, Relationship with struck off Companies and other Schedule III disclosures are not materially different from those disclosed in the standalone financial statements of the Company, since the consolidation is done based on equity method.

The Notes to these consolidated Ind AS financial statements are disclosed to the extent relevant and necessary for presenting a true and fair view of the consolidated Ind AS financial statements based on section 129(4) of The Companies Act, 2013 and as clarified vide Circular No.39/2014 dated 14th October, 2014.

64. Consolidated financial statements were prepared based on audited Financial Statements of Joint Venture entities viz Urvarak Videsh Limited and Talcher Fertilizers Limited and the same was approved by Board of Directors on 27th May 2025.

65. The Consolidated Financial Statements were authorized for issue in accordance with a resolution passed by the Board of Directors on 27th May 2025.

66. The Consolidated Financial Statements as approved by the Board of Directors are subject to audit by Comptroller and Auditor General of India and final approval by its Shareholders.

67. The figures of previous year have been re-arranged and regrouped wherever necessary and/or practicable to make them comparable with those of the current year and as per schedule III amendments as mandated by Companies Act, 2013.

For and on behalf of the Board of Directors

RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED

(S. C. Mudgerikar)
Chairman & Managing Director
DIN : 03498837

(Nazhat Shaikh)
Director (Finance)
DIN : 07348075

(J. B. Sharma)
Company Secretary
Membership No: FCS5030

Dated : 27th May, 2025.
Place: Mumbai

As per our report of even date attached

For K. GOPAL RAO & CO.
Chartered Accountants
Firm Regn. No. 000956S

(Gopal Krishna Raju)
Partner
Membership No: 205929

For PARAKH & CO.
Chartered Accountants
Firm Regn. No. 001475C

(Shalabh Jain)
Partner
Membership No: 441015

Dated : 27th May, 2025.
Place: Mumbai

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

Consolidated Segmentwise Revenue & Results for the period ended 31st March 2025

Annexure-1

₹ Crore

Sr. No	Particulars	Fertilizers	Trading	Industrial Chemicals	Unallocated	Total
	SEGMENT REVENUE					
i.	Sales (Incl. Subsidy wherever applicable)	10559.21	4674.59	1654.77	-	**16888.57**
ii.	Other operating Income	31.28	0.54	1.59	11.66	**45.07**
	Total Revenue	10590.49	4675.13	1656.36	11.66	**16933.64**
	SEGMENT RESULT					
i.	Segment Results	115.31	78.39	359.40	(43.63)	**509.47**
ii.	Share of profit / (loss) of Joint Ventures	0.82	-	-	-	0.82
iii.	Interest Expense					253.68
iv.	Interest Income					67.34
v.	**Profit Before Exceptional Items**					**323.95**
vi.	Less: Exceptional Item - Expenditure / (Income)					(4.37)
vii	**Profit before Tax**					**328.32**
viii.	Tax - Current					99.00
ix.	Deferred Tax Liability / (Asset)					(10.71)
x.	Tax adjustments of earlier years (excess) / short					(2.42)
xi.	**Net Profit**					**242.45**
	OTHER INFORMATION					
i.	Segment Assets	6891.31	1046.41	634.32	2694.59	**11266.63**
ii.	Segment Liabilities	3167.44	119.43	85.97	3148.46	**6521.30**
	Other Disclosures					
iii.	Investments in Joint Ventures	892.31	-	-	-	**892.31**
iv.	Capital Expenditure	851.85	-	0.01	5.80	**857.66**
v.	Depreciation and Amortisation	212.83	-	39.18	6.21	**258.22**
vi.	Impairment	9.19	-	(3.88)	-	**5.31**
vii.	Other Non Cash Expenses/(Income)	(2.26)	-	-	1.88	**(0.38)**

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

Consolidated Segmentwise Revenue & Results for the period ended 31st March 2024

Annexure-1

₹ Crore

Sr. No	Particulars	Fertilizers	Trading	Industrial Chemicals	Unallocated	Total
	SEGMENT REVENUE					
i.	Sales (Incl. Subsidy wherever applicable)	10969.48	4261.78	1708.65	-	**16939.91**
ii.	Other operating Income	27.91	0.13	1.69	11.67	**41.40**
	Total Revenue	10997.39	4261.91	1710.34	11.67	**16981.31**
	SEGMENT RESULT					
i.	Segment Results	70.88	145.30	213.48	(33.88)	**395.78**
ii.	Share of profit / (loss) of Joint Ventures	(2.46)	-	-	-	(2.46)
iii.	Interest Expense					183.64
iv.	Interest Income					51.17
v.	**Profit Before Exceptional Items**					**260.85**
vi.	Less: Exceptional Item - Expenditure / (Income)					(40.32)
vii	**Profit before Tax**					**301.17**
viii.	Tax - Current					38.78
ix.	Deferred Tax Liability / (Asset)					63.18
x.	Tax adjustments of earlier years (excess) / short					(26.07)
xi.	**Net Profit**					**225.28**
	OTHER INFORMATION					
i.	Segment Assets	7260.72	1716.36	472.29	2006.35	**11455.72**
ii.	Segment Liabilities	2714.63	511.80	78.54	3545.01	**6849.98**
	Other Disclosures					
iii.	Investments in Joint Ventures	794.82	-	-	-	**794.82**
iv.	Capital Expenditure	488.02	-	0.08	12.49	**500.59**
v.	Depreciation and Amortisation	187.29	-	34.75	5.54	**227.58**
vi.	Impairment	0.83	-	5.52	-	**6.35**
vii.	Other Non Cash Expenses/(Income)	2.92	-	-	-	**2.92**

* Finance income and costs, and Corporate expenses are not allocated to individual segments as the same are managed on a group basis.

* Current taxes, deferred taxes and write back of excess tax provisions are also not allocated to those segments as they are also managed on a group basis.

* Capital expenditure consists of additions of property, plant and equipment, intangible assets and investment properties.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

Reconciliations to Amounts Reflected in Consolidated Financial Statements

₹ Crore

Sr. No.	PARTICULARS	AS AT 31.03.2025	AS AT 31.03.2024
I	**OPERATING REVENUE**		
	Segment Revenue		
	India	16765.17	16969.64
	Outside India	156.81	-
	Segment Reveue	**16921.98**	**16969.64**
	Unallocated - Management fees	11.66	11.67
	Total Operating Revenue	**16933.64**	**16981.31**
II	**RECONCILIATION OF PROFITS**		
	Segment Profit	553.92	427.2
	Interest Income	67.34	51.17
		621.26	**478.37**
	less: Finance Costs	253.68	183.64
	Corporate Expenses (net)	43.63	33.88
	Profit Before Exceptional Items	**323.95**	**260.85**
	Less: Exceptional Item - Expenditure / (Income)	(4.37)	(40.32)
	Profit Before Tax	**328.32**	**301.17**
III	**RECONCILIATION OF ASSETS**		
	Segment Assets	**8572.04**	**9449.37**
	Investments	1104.96	1002.17
	Corprate Assets + CWIP	29.31	29.80
	Non Current Tax Asset	195.82	264.58
	Derivatives (MTM Gain)	9.65	9.72
	Cash & Bank balances	928.3	344.54
	Other assets *	426.55	355.54
	Total Assets	11266.63	11455.72
IV	**RECONCILIATION OF LIABILITIES**		
	Segment Liabilities	3372.84	3304.97
	Borrowings Long-Term	923.28	940.39
	Borrowings Short-Term	1828.64	2222.4
	Deferred Tax Liabilities	295.46	305.73
	Other Current Financial Liabilities	87.25	56.08
	Other Non Current Financial Liabilities	0.16	0.47
	Other Liabilities	8.66	19.94
	Total Liabilities	6521.30	6849.98

* Includes an amount of ₹ 76.30 Crore receivable from Government of India towards Import of Urea on Government Account (P.Y. ₹ 191.72 Crore)

FORM AOC-1

Annexure-A

(Pursuant to first proviso to Sub-Section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARY / ASSOCIATES / JOINT VENTURES

Part A: Subsidiaries

Name of Subisdiary Company	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provisio for taxation	Profit after taxation	Proposed Dividend	% of Share-holding	Reasons for non-consoli-dation:
Not Applicable													

Part B: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 relating to Associate Companies and Joint Ventures

Name of Joint Venture	Last audit-ed balance sWheet date	Shares of Associate / Joint Ventures held by the Company on year end			Networth at-tributable to Shareholding as per the latest audited Balance Sheet (₹ in crore)	Profit / Loss fot the year		Description of how there is significant influence	Reason why the associate / joint venture is not consolidated
		No	Amount of invest-ment in Associate / Joint Venture (₹ in crore)	Extent of Holding %		Considered in Consolidation (₹ in crore)	Not Consid-ered in Con-solidation (₹ in crore)		
1. FACT –RCF Building Products Ltd.	31-Mar-2023	3,52,27,000	35.23	50.00%	(77.25)	-	-	Note A	Note B
2. Urvarak Videsh Limited	31-Mar-2024	1,80,002	0.18	33.33%	0.01	-	-	Note A	
3. Talcher Fertilizers Limited	31-Mar-2024	90,21,47,291	902.15	33.33%	934.31	0.82	-	Note A	

Note

A: There is significant influence due to percentage(%) of Share Capital.

B:National Company Law Tribunal (NCLT) proceedings have been initiated vide order dated January 11, 2024 on FACT-RCF Building Products Limited (FRBL) a joint venture entity with a 50:50 partnership between the Company and Fertilizers and Chemicals Travancore (FACT) Limited and an Resolution Professional (RP) has been appointed in place. Further, there is no impact on Company's financial statements, as the Company has made full provision of its investments/dues from FRBL in earlier years. Consequent to appointment of RP, the Board of FRBL stands superseded and the promoter Companies have lost the powers to exercise control of the Joint Venture and accordingly, the financials of FRBL is not consolidated.

** As per Ind AS 28 - Investments in Associates and Joint Ventures, Para 38, If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture, the entity discontinues recognizing its share of further losses.
Para 39 of the standard states that after the entity's interest is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the entity has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

For and on behalf of the Board of Directors

RASHTRIYA CHEMICALS AND FERTILIZERS LTD.

(S. C. Mudgerikar)
Chairman & Managing Director
DIN : 03498837

(Nazhat Shaikh)
Director (Finance)
DIN : 07348075

(J. B. Sharma)
Company Secretary
Membership No: FCS5030

Dated : 27th May, 2025.
Place: Mumbai

RCF Demonstrates Drone Spray Technology to farmers in presence of Chairman & Managing Director, RCF.

Dun & Bradstreet Public Sector Excellence Award 2024 received by Director (Finance), RCF and Director (Technical) RCF.

Our Products

Rashtriya Chemicals and Fertilizers Limited

(A Government of India Undertaking)

"Priyadarshini", Eastern Express Highway, Sion, Mumbai - 400 022.

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