No. SEC/BD/SE/AGM
August 13, 2025

Dy. General Manager
BSE Limited
Corporate Relationship Dept.,
1st Floor, New Trading Ring,
Rotunda Bldg., PJ Tower,
Dalal Street, Fort,
Mumbai - 400 001
Scrip Code: "500670"

Dy. General Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza,
C-1, Block - "G",
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051
Symbol: "GNFC"

Dear Sir / Madam,

Sub.:- Annual Report together with Notice of 49th Annual General Meeting (AGM) of the Company for the FY 2024-25

This is in furtherance to our letter dated August 01, 2025, wherein the Company had informed that the 49th AGM of the Company is scheduled to be held on Tuesday, September 09, 2025 through Video Conference / Other Audio Visual Means.

Pursuant to Regulation 30 read with Para A of Part-A of Schedule-III and Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we enclose herewith the Annual Report along with the Notice of 49th AGM and other Statutory reports for the FY 2024-25, which is being sent through electronic mode to all the Shareholders of the Company whose email addresses are registered with the Company/ Register and Transfer Agent (RTA)/Depository Participants (DPs). Further, Pursuant to Regulation 36(1)(b) of the Listing Regulations, the Company is also sending a letter to the Shareholders whose e-mail addresses are not registered with the Company/RTA/DPs, providing a web-link for accessing the Annual Report of the Company.

The Annual Report together with Notice is also available on the website of the Company at https://www.gnfc.in/statistics-annual-report/#1754479017780-ca9eba19-64c5

You are requested to take note of the above.

Thanking you.

Yours faithfully,

For Gujarat Narmada Valley Fertilizers & Chemicals Limited

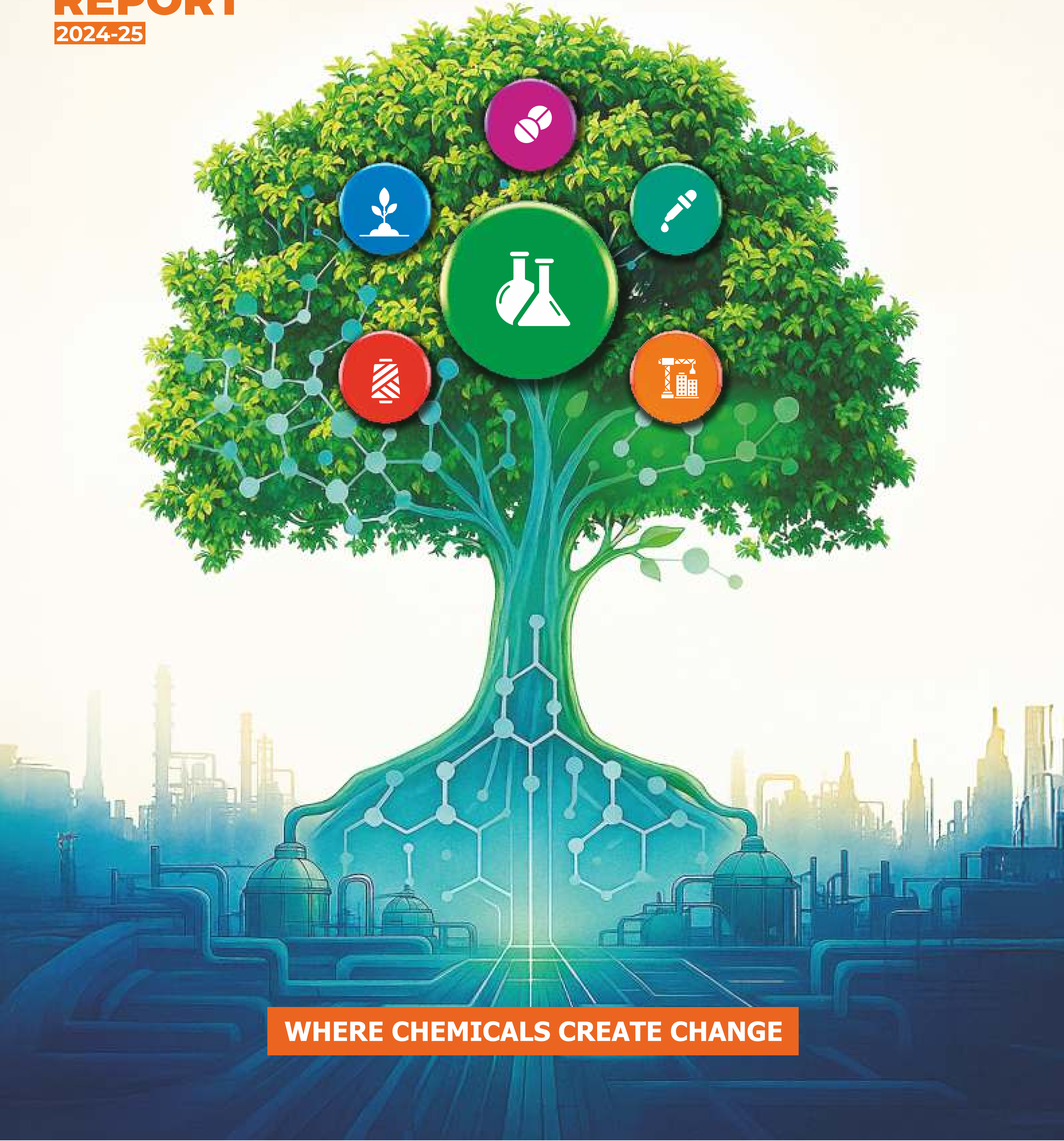
RAJESH PILLAI
Digitally signed by RAJESH PILLAI
Date: 2025.08.13 15:44:29 +05'30'

Rajesh Pillai
Company Secretary & Compliance Officer

Encl.: As above

49TH ANNUAL REPORT 2024-25

GNFC
Gujarat Narmada Valley
Fertilizers & Chemicals Limited



Corporation Information

BOARD OF DIRECTORS
(As on 31-03-2025)

Shri Pankaj Joshi, IAS, Chairman
Shri Kamal Dayani, IAS
Shri S.J. Haider, IAS
Smt. Gauri Kumar, IAS (Retd.)
Prof. Ranjan Kumar Ghosh
Shri Bhadresh Mehta
Dr. N. Ravichandran
Shri Ajai Bahadur Khare
Dr. T. Natarajan, IAS, Managing Director

49th Annual General Meeting

Date : September 09, 2025

Day : Tuesday

Time : 3:00 PM

Venue : The AGM will be conducted through VC/OAVM, pursuant to the circulars issued by the MCA and the SEBI from time to time.

GNFC

Chief Financial Officer & Executive Director
Shri D. V. Parikh

Company Secretary & Compliance Officer
Shri Rajesh Pillai

Statutory Auditors
M/s Suresh Surana & Associates LLP
Mumbai

Cost Auditors
M/s. Dhananjay V. Joshi & Associates
Pune

Secretarial Auditors
J.J. Gandhi & Co.
Practicing Company Secretary
Vadodara

Registrar and Share Transfer Agent
M/s KFin Technologies Limited
Hyderabad

Registered Office
P.O. Narmadanagar-392015, Dist: Bharuch, Gujarat, India
Website: www.gnfc.in

Contents

Message from the **Chairman**

Shri Pankaj Joshi, IAS
Chairman,GNFC

Dear Shareholders,

It is with immense honour and a deep sense of responsibility that I address you for the first time as Chairman of your Company. I take this opportunity to warmly welcome you all to the 49th Annual General Meeting of Gujarat Narmada Valley Fertilizers & Chemicals Limited.

The year unfolded amid shifting global currents. While major economies grappled with elevated interest rates and uneven recovery paths, India stood out for its stable economy and sustained momentum. In this backdrop, your Company navigated the complexities with resilience and delivered a competitive and profitable performance.

Despite the global economic headwinds, Gujarat Narmada Valley Fertilizers & Chemicals Limited, delivered a strong operational, marketing, and financial performance during the year. The Company reported Revenue from Operations of ₹7,892 Crores, Earnings Before Interest, Tax, Depreciation and Amortization (Excluding Other Income) of ₹615 Crores, Profit Before Tax of ₹790 Crores, and Profit After Tax of ₹585 Crores. Earnings Per Share stood at ₹39.85, reflecting our consistent focus on operational efficiency and value creation.

In line with this sustained performance and our long-term growth strategy, the Board of Directors has recommended a dividend of ₹18 per share (@180%) for the financial year 2024–25.

Looking ahead, the Company enters FY 2025–26 with cautious optimism, supported by a favourable external environment and several internal strategic initiatives.

In the Fertilizers Business, an above-normal monsoon forecast, low opening Urea stocks, and higher Nutrient-Based Subsidy (NBS) rates for Kharif 2025 are expected to boost demand and realizations. GNFC is expanding its trading operations across subsidized and non-subsidized agri-inputs through the COCO retail model and an enhanced dealer network. The Company also continues to support key Government initiatives promoting sustainable agriculture, such as PM–PRANAM, Namo Drone Didi, and PM-Kisan Samriddhi Kendras.

In the Chemicals Business, despite margin pressures and broader economic uncertainties, the outlook remains positive. Strong domestic consumption and continued global demand, combined with the sector's contribution to India's structural growth story, position the Company favourably. The Company is well-placed to meet evolving market needs through its diversified product portfolio and ongoing capacity enhancement projects.

On behalf of the Board of Gujarat Narmada Valley Fertilizers & Chemicals Limited, I extend my heartfelt appreciation to our shareholders for your continued trust and support. Together, we are committed to building a stronger, more resilient, and sustainable future for Gujarat Narmada Valley Fertilizers & Chemicals Limited.

Message from the **Managing Director**

Dr. T. Natarajan, IAS
Managing Director, GNFC

Dear Shareholders,

It is my privilege to present the Annual Report of Gujarat Narmada Valley Fertilizers & Chemicals Limited (GNFC) for the financial year 2024–25.

The year presented several global and sector-specific challenges—from erratic weather and volatile commodity prices to uncertain global sentiment. Despite this, GNFC demonstrated resilience and profitability through operational discipline, cost optimization, and a clear focus on long-term value creation.

Globally, 2025 began on a hopeful note, but geopolitical tensions and trade uncertainties dampened the outlook. In contrast, India remained a bright spot, with GDP growth estimated at 6.5%, driven by strong domestic demand and policy-led capex.

GNFC's performance aligned with India's growth trajectory. Several units—including Ammonia, Urea, Formic Acid, and Acetic Acid—achieved over 100% capacity utilization, driven by efficient plant operations and strategic product mix. Despite challenges at the TDI-II Dahej plant, the Bharuch complex delivered strong volume growth, supported by better uptime and reduced input costs.

Financially, while revenues were tempered by the Dahej outage and lower chemical realizations, Profit Before Tax grew by 21%, aided by higher production and favorable feedstock prices. The fertilizer segment also benefited from cost efficiencies and support under the Nutrient-Based Subsidy (NBS) scheme.

Reflecting this performance, the Board has recommended a dividend of ₹18 per share (180%) for FY 2024–25.

Looking ahead, GNFC remains committed to operational excellence, strategic growth, and national goals in green energy, digitalization, and self-reliance. I extend my sincere gratitude to our Board, employees and shareholders for their continued trust and support.

About Company

PROGRESS. SUSTAINABLY. TOGETHER.

At GNFC, growth is not just a goal, it's a commitment to the nation, the environment, and future generations.

With a strong legacy in fertilizers and chemicals, we've steadily expanded into petrochemicals, energy and IT solutions, building on our strengths while adapting to the needs of a changing world.

As we step forward into 2025–26, sustainability drives every decision. From adopting greener technologies and reducing carbon footprints to creating circular value chains, we remain focused on building an enterprise that's resilient, responsible, and future-ready.

Situated in Gujarat's industrial heartland, GNFC continues to be a trusted growth partner for India's critical sectors - agriculture, automotive, pharmaceuticals, infrastructure, and beyond.

Our balance sheet remains strong. Our vision remains bold. And our purpose remains clear: To empower India's progress while preserving the planet.

GNFC Journey

1976 1980

Laid foundation to strengthen the Green Revolution in India.

1981 1990

Started manufacturing and marketing by setting up one of the world's largest single-stream ammonia-urea plants.

Set up R&D Centre with expert scientists and technologists.

Commissioned 50 MW captive power project in two phases.

1991 2000

Established 1,42,500 TPA Nitro Phosphate and Calcium Ammonium Nitrate plants.

Diversified into IT and signed MoU with Ahmedabad InfoTower for strategic alliances.

2001 2010

Increased capacity of Acetic Acid plant from 50,000 MTA to 1,00,000 MTA using BP Chemicals UK tech.

Signed LNG supply contract with GAIL.

Commissioned new Methyl Format section and completed revamp of Formic Acid Plant.

Completed PSA unit revamp; increased hydrogen production.

Commissioned AN Melt Filling Station (400 MT/day).

Commissioned Air Separation Unit (ASU).

Commissioned Methanol Synthesis Unit with a capacity increase of 30,600 MT per annum.

Narmada Chematur Petrochemicals Ltd (NCPL) amalgamated with GNFC.

Commissioned 9 MW Windmill Power Project under Clean Development Mechanism (CDM).

2011 2020

Promoted fertilizer sales via direct farmer outreach and Narmada Khedut Sahay Kendras (NKSKs).

Achieved highest-ever production of Ammonia, Urea, ANP, CNA, Formic Acid, and TDI.

Highest-ever prepayment of ₹ 534 Cr in Long-Term Debt. Wiped out ₹888 Cr of Long-Term Debt.

Expanded trading activities; added TSP, AN Melt, CN, SSP, and Neem Cake to product portfolio.

2021 Present

Commissioned 10 MW Solar Power Project at Charanka Solar Park.

Commissioned Formic Acid Revamp Project; increased capacity by 85 TPD.

Commissioned Ammonia Make-Up Loop and Coal-Based Power Plant at Dahej.

Key Business Segments (Fertilizers, Chemicals, IT)

DRIVING GROWTH THROUGH DIVERSIFIED EXCELLENCE

Fertilizers Segment

Our fertilizer operations began with the establishment of one of the world's largest single-stream ammonia-urea plants. It includes the manufacturing of Urea and Ammonium Nitro phosphate, which was being marketed under the brand 'Narmada' till Dec 2022. Thereafter these are being marketed under brand 'Bharat' as mandated by GoI under "One Nation One Fertilizer" (ONOF) Initiative-under Pradhanmantri Bhartiya Janurvarak Pariyojna (PMBJP) subsidy scheme.

FERTILIZERS PLANT

- Urea
- Ammonium Nitro-Phosphate

Chemical Segment

GNFC operates integrated chemical and petrochemical plants producing a wide range of products including Toluene Di-isocyanate (TDI), Technical Grade Urea, Formic Acid, Weak and Concentrated Nitric Acid, Aniline, Acetic Acid, Ethyl Acetate, Ammonium Nitrate and Methanol.

- **India is the only manufacturer of TDI** in South East Asia and the Indian Subcontinent.
- GNFC is the **sole producer of Acetic Acid** and **Formic Acid** in India.
- It houses **India's largest single-stream Aniline Plant and Technical Grade Urea Plant.**

CHEMICALS PLANT

- Toluene Di-isocyanate (2 Plants)
- Acetic Acid
- Formic Acid
- Technical Grade Urea
- Ammonium Nitrate Melt
- Weak Nitric Acid (2 Plants)
- Concentrated Nitric Acid (4 Plants)
- Aniline
- Ethyl Acetate
- Methanol (3 Plants)

Information Technology

GNFC's IT division, **(n)Code Solutions,** operates a state-of-the-art PKI facility that offers Digital Signature Certificates and PKI-based solutions for secure digital transactions.

These services are trusted by individuals, corporations, and governments and support secure integration with:

- Emails & workflows
- Enterprise systems
- VPNs and secure networks

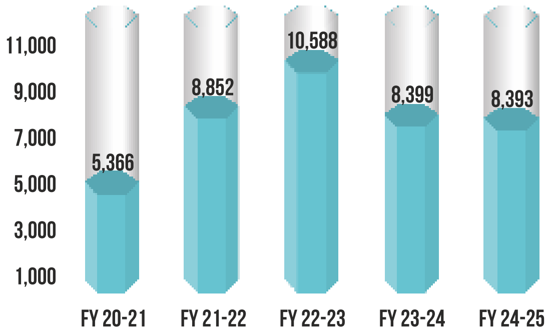
Beyond security, (n)Code provides value-added IT solutions including:

- System Integration
- Smart Cities Implementation
- e-Auction & e-Procurement
- Blockchain Solutions
- Cloud Services

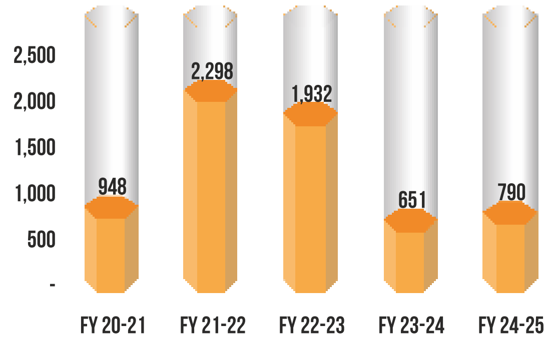
Financial Trends and Value Creation (Last 5 Years)

(₹ Crores. except per share data)

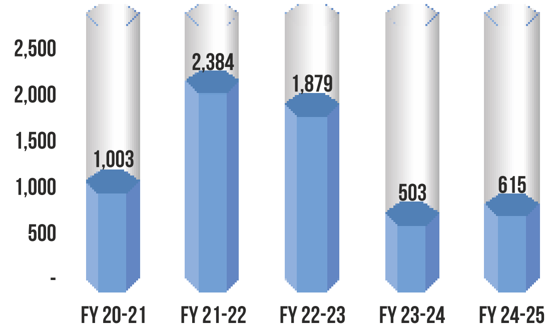
TOTAL REVENUE



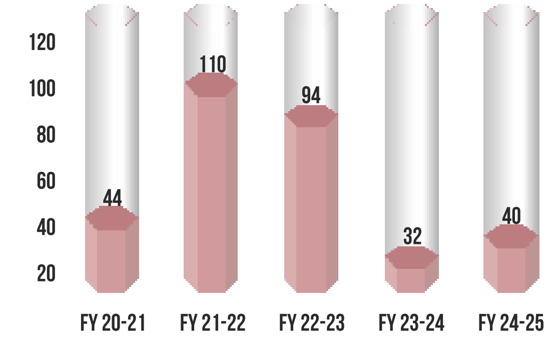
PROFIT BEFORE TAX



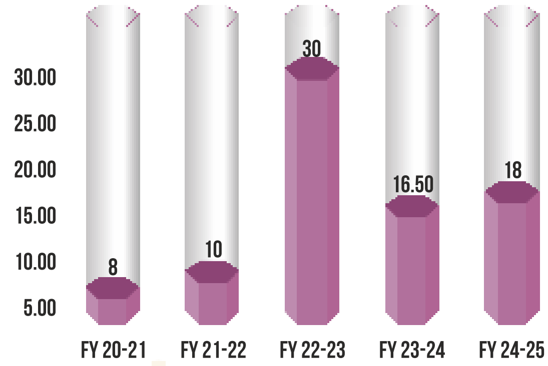
EBITDA



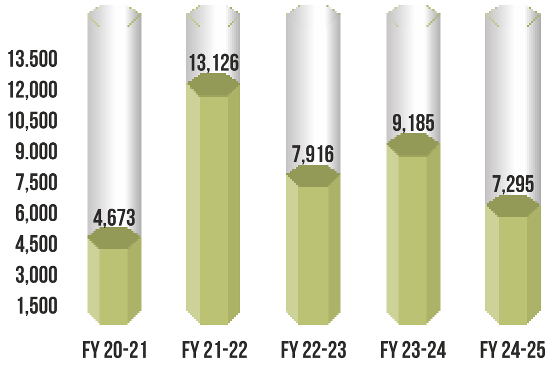
EARNINGS PER SHARE



DIVIDEND PER SHARE



MARKET CAPITALIZATION



The data is as on March 31 of the respective financial year

Financials Over Decade (Standalone)

(₹ Crores. except per share data)

PARTICULARS	FY 24-25	FY 23-24	FY 22-23	FY 21-22	FY 20-21	FY 19-20	FY 18-19	FY 17-18	FY 16-17	FY 15-16
KEY PROFIT AND LOSS ITEMS										
Total Revenue	8,393	8,399	10,588	8,852	5,366	5,315	6,117	6,058	5,170	5,098
EBITDA *	615	503	1,879	2,384	1,003	542	868	1,391	653	548
Finance Cost	23	13	5	3	20	5	6	100	203	297
Depreciation & amortization	303	308	303	292	272	264	263	270	251	251
PBT	790	651	1,932	2,298	948	425	819	1,162	715	268
Tax	205	166	468	594	259	(74)	78	372	194	95
PAT	585	485	1,464	1,704	689	499	741	790	521	173
Total Comprehensive Income	497	466	1,263	2,039	839	357	680	750	561	162
KEY BALANCE SHEET ITEMS										
Fixed Assets (Net Block)	3,475	3,526	3,568	3,716	3,881	3,892	3,984	4,175	4,457	4,395
Investments	2,181	2,919	3,106	1,222	853	596	829	681	762	709
Cash, Bank & Deposits	2,853	1,879	2,874	3,682	1,851	472	395	16	13	10
Total Equity	8,452	8,198	9,006	7,899	5,984	5,223	4,997	4,458	3,802	3,278
Total borrowings	99	1	-	-	2	859	208	303	1,959	3,101
Deferred tax liabilities (net)	248	270	344	422	391	316	467	479	387	296
PER SHARE DATA										
EPS	40	32	94	110	44	32	48	51	34	11
Dividend	18.00	16.50	30.00	10.00	8.00	5.00	7.00	7.50	5.00	2.00
Dividend (%)	180	165	300	100	80	50	70	75	50	20
Book Value	575	558	579	508	385	336	322	287	245	211

* EBITDA stands for Earnings before Interest, tax, depreciation & amortization and it is calculated as PBT + depreciation + finance Cost - other income.

Shareholders are key partners in the Company's long-term growth and value creation journey. In line with our commitment to good governance and ESG principles, the Company ensures transparent, timely, and consistent communication on financial performance, strategic priorities, and regulatory developments. Shareholders are encouraged to share their concerns or feedback, which are addressed promptly.

An ecosystem of trust

AGM 2025

Tuesday, September 09, 2025
03:00 PM (IST)

Mode: Through Video Conferencing / Other Audio – Visual Means

E-voting: Commences on Friday, September 05, 2025, 9:00 AM (IST) and ends on Monday, September 08, 2025, at 5:00 PM (IST)

Record date: Tuesday, September 02, 2025

Dividend payment date: On or after Thursday, September 11, 2025

Investor Servicing

Mode of engagement:

- Quarterly investor calls
- Shareholder meetings / Postal Ballot
- Sending Annual Report every year
- Disclosure to the Stock Exchanges and updation of Company's website i.e. https://www.gnfc.in/

Mechanisms for servicing:

- RTA have developed new application for investors which provides following:
  (i) Investor support
  (ii) eSign facility
  (iii) KYC status
- Satisfactory Response for redressal of queries / requests registered on the SEBI SCORES platform and Online Dispute Redressal (ODR) platform or received through other mode

Important Information for Shareholders

01

KYC Update:

As per regulatory requirements, shareholders holding shares in physical form must mandatorily update their KYC details before initiating any service requests related to their shareholding.

02

Unclaimed Dividends:

The Company sends periodic reminders to shareholders regarding any unclaimed dividends. Shareholders are advised to claim their outstanding dividends at the earliest to avoid transfer of the same to the Investor Education and Protection Fund (IEPF).

03

Dematerialisation of Shares:

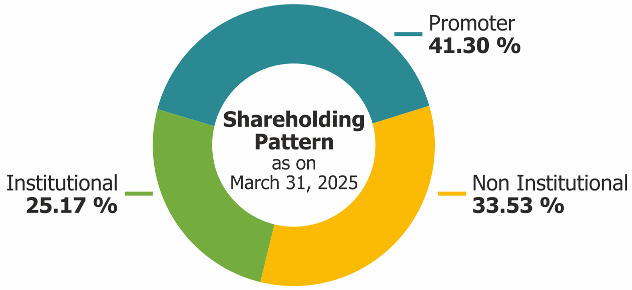
Shareholders holding shares in physical form are encouraged to dematerialise their holdings at the earliest to ensure ease of trading and better security of their investments.

04

IEPF Claims:

For claiming shares and dividends transferred to the IEPF, shareholders are required to obtain an Entitlement Letter from the Company and file e-Form IEPF-5 on the MCA portal, along with the necessary supporting documents.

Key details



Category	%
Gujarat State Investments Limited (GSIL)	21.44
Gujarat State Fertilizers & Chemicals Limited (GSFC)	19.86
Foreign Portfolio Investors	15.03
Insurance Companies	0.00
Mutual Funds	8.09
Others	2.05
Individuals	25.84
Bodies Corporate	2.46
NRIs	1.90
Others	3.33

Shareholders holding 1% and more equity shares of the Company as on March 31, 2025.

Shareholders	No. of shares	%
GSIL	3,15,07,658	21.44
GSFC	2,91,86,009	19.86
Resident Individuals	3,79,68,909	25.84
Foreign Portfolio Investors Category	2,20,89,867	15.03
Mutual Funds	1,18,87,889	8.09
Bodies Corporates	36,08,167	2.46
Qualified Institutional Buyer	20,82,828	1.42
IEPF	30,86,885	2.10
Non Resident Indians (Rep./Non-Rept.)	27,89,827	1.90
HUF	17,53,238	1.19

No. of Shareholders

As on March 31, 2023 — 2, 79, 909

As on March 31, 2024 — 2, 53, 003

As on March 31, 2025 — 2, 68, 629

Dividend amount declared

₹ 18/- per equity share of ₹ 10/- each Fully Paid up (@ 180%) for the Financial Year 2024-25.

Mode of Shareholding as on March 31, 2025

Particulars	No. of Shares	%
Physical Segment	46,65,693	3.18
Demat Segment		
NSDL (A)	9,20,58,165	62.65
CDSL (B)	5,02,16,825	34.17
Total (A+B)	14,22,74,990	96.82
TOTAL	**14,69,40,683**	**100.00**

Details of unclaimed dividends and shares transferred to IEPF

Financial Year	Unclaimed Dividend	No. of shares
FY 2022-23	Company did not pay any dividend for the FY 2014-15. Consequently, there was no unpaid or unclaimed dividend pertaining to that year, and accordingly, no shares were liable to be transferred to the Investor Education and Protection Fund (IEPF) during the Financial Year 2022–23.	
FY 2023-24	₹99,87,147	4,13,493
FY 2024-25	₹2,44,76,708	1,61,904

Investor Complaints received and resolved during last three financial years

Particulars	2022-23	2023-24	2024-25
As on April 1	0	0	0
Received during the year	71	74	91
Resolved during the year	71	74	91
Closing as on March 31	0	0	0

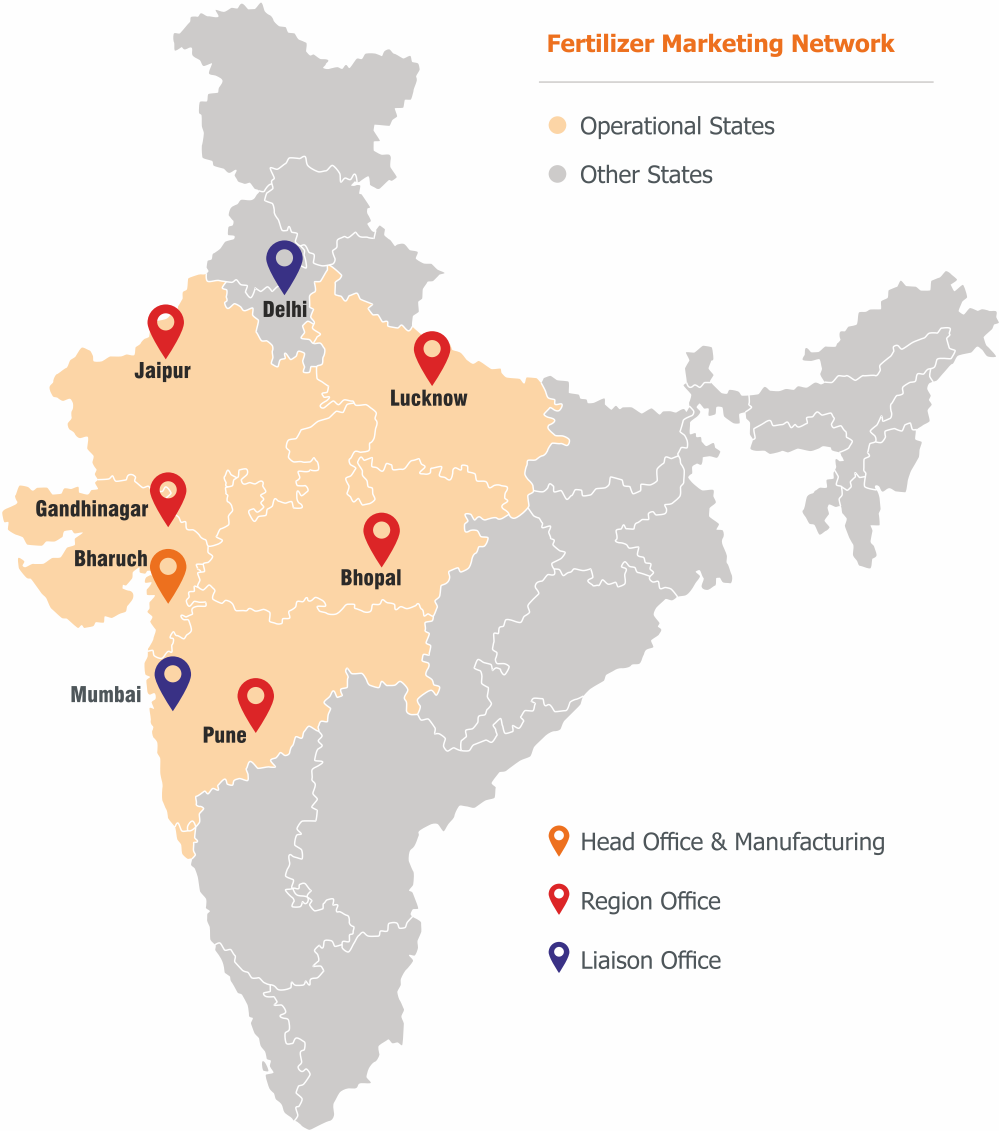
Expansion Plan

Ongoing Projects

TENTATIVE TIMELINE	FY25-26	FY26-27	FY27-28
PROJECTS	Capacity		
UNDER EXECUTION			
Coal Based Steam & Power Plant TDI-II, Dahej	150 MT/Hr Steam & 18 MW Power		
Ammonia Expansion, Bharuch	50 KTPA		
Weak Nitric Acid (WNA-III), Bharuch	200 KTPA		
UNDER CONSIDERATION			
Ammonium Nitrate -(AN-II), Bharuch	163 KTPA		

- Coal Based Steam & Power Plant: Will bring down the steam cost & overall TDI operating cost.
- Ammonia Expansion: Will increase reliability of existing ammonia loop along with some energy saving cost.
- WNA-AN: Will strengthen Company's market share.

Cultivating Agricultural Growth Across the Nation



Fertilizer Marketing Network

- Operational States
- Other States

- Head Office & Manufacturing
- Region Office
- Liaison Office

5 Area Offices

Mehsana | Rajkot | Bhavnagar | Vadodara | Surat

49 NKSKs

Fertilizer Retail Outlets in Gujarat

GNFC Everywhere:
The Strength Behind the Growth

Harnessing Growth Potential with our Diverse Product Range

Industrial Products Profile

PRODUCT(S)	APPLICATION(S)
Acetic Acid (Glacial)	Acetic Anhydride, Vinyl Acetate Monomer (VAM), Purified Terephthalic Acid (PTA), Monochloroacetic Acid, Acetates, Dyes & Dye Intermediates.
Ammonium Nitrate	Explosives, Herbicides & Insecticides.
Aniline	Acetanilide, Antioxidants, Herbicides, Pigments, Rubber Chemicals: Vulcanizing Agents, Photographic Chemicals: Hydroquinone, Pharmaceutical, Isocyanates: MDI.
Concentrated Nitric Acid (CNA)	Aniline, TDI, Dyestuff & Dye Intermediates, Explosives, Nitrobenzene.
Ethyl Acetate	Solvent in Printing Inks, Paints and Coating, Laminates, Flexible, Packaging, Aluminium Foil, Pesticides, Varnishes, Synthetic Fruit Essence, Perfumes, Photographic Films and Plates, Adhesives and Pharmaceuticals.
Formic Acid	Coagulant for obtaining rubber from latex, Fixing of dyes in leather industry, Pesticides, Vulcanization Accelerators, Electroplating, Construction Chemicals.
Methanol	Acetic Acid, Formaldehyde, Chloromethane, Pesticides, Methyl Amines, Paints, Insecticides.
TDI (Toluene Di- Isocyanate)	Flexible Polyurethane Foam, (Furniture Cushion, Industrial Gaskets, Mattresses, Protective pads for Sports & Medical Use, Automobiles: Seats, Lining, Sun visors) Coating, Adhesives, Sealants, Elastomers (CASE).
Technical Grade Urea	Cattle feed, Pigments, Dyes, Fuel additives.
Weak Nitric Acid (WNA)	CNA, Dyestuff & Dye Intermediates, Explosives, Metal cleaning.

INTERMEDIATES AND BY-PRODUCTS	
Calcium Carbonate	In Cattle feed, Water treatment, Neutralization of Acidic Effluent, Cement Industry.
Dilute Sulphuric Acid	Ferric Alum, Fertilizer, Textile.
Hydrochloric Acid	Chemical Reagent, Production of gelatine, Household cleaning, Metal Pickling, Textiles, Dye, Intermediates, DCR
Meta Toluene Diamine (MTD)	Chain extender, Cross linker, Rubber Chemical & dyes, Polyimides, TDI.
Methyl Formate	Dimethylformamide (DMF), Formic Acid, Pharmaceuticals, Metal Foundries, Fumigant & Larvicide for Tobacco, Formulations of Synthetic Flavours.
Dry Fly ASH	Ready mix concrete, Building Blocks.
Nitrobenzene	Aniline, Antioxidants, Herbicides, Pigments, Rubber Chemicals: Vulcanizing Agents, Photographic Chemicals: Hydroquinone.
Ortho Toluene Diamine (OTD)	Polyols, Antioxidants, Corrosion Inhibitors, Rubber Chemicals, Dyes.
Sodium Hypochlorite	Disinfectant, Bleaching Agent, Water Treatment.

Transforming Lives through Purposeful CSR Interventions

At GNFC, Corporate Social Responsibility is deeply rooted in the belief that true progress is measured not just in economic growth, but in the wellbeing of communities and the dignity of individuals. Through its implementing agency, Narmadanagar Rural Development Society (NARDES), the company continues to advance a development model that is both inclusive and sustainable, one that places people at the center of every initiative.

The CSR approach is designed to identify and address critical needs in areas such as education, healthcare, livelihood generation, and basic infrastructure. Interventions are developed in close alignment with community aspirations and are guided by structured planning, informed assessment, and collaborative execution. This ensures that support reaches where it is needed most, in a manner that is relevant, respectful, and impactful.

Over time, these interventions have contributed to steady and meaningful improvements in the human development indicators of the regions served. Children now have better access to learning environments, families benefit from improved healthcare awareness and services, and individuals are equipped with skills that enhance their economic opportunities. In many cases, small but thoughtful investments have led to far-reaching changes restoring confidence, enabling self-reliance, and fostering a sense of collective growth.

GNFC's CSR initiatives are aligned with the statutory framework prescribed by the Ministry of Corporate Affairs under the Companies Act, 2013. Each intervention adheres to the provisions of Schedule VII, and projects are implemented with clearly defined objectives, transparent governance mechanisms, and robust monitoring procedures. Periodic reviews and impact evaluations further ensure accountability and encourage continuous learning.

What defines GNFC's CSR journey is its quiet consistency is the ability to drive meaningful change without noise, through empathy, diligence, and long-term commitment. Every step taken reflects a broader vision to contribute to a more equitable society where development reaches every corner, and opportunities are created not just for today, but for generations to come.







Leading the Way to Energy Efficiency

GNFC is committed to energy efficiency through various strategic initiatives:

- **Charanka Solar Park:** A 10 MW Solar Power Plant was established at Gujarat Solar Park, Charanka (Dist. Patan) in 2021 to generate clean energy. Wheeling of power from the 10 MW plant is done to GNFC's Bharuch Unit for captive consumption and to meet Renewable Purchase Obligation (RPO).

- **Power from the Rooftop:** 300 KW of clean solar energy is generated daily via rooftop Solar Photovoltaic Panels on corporate houses, schools, and guesthouses.

- **Energy Saving by Operational Changes:** Enhanced power generation of approximately 40 KW has been achieved through existing ECT by floating other PRDS (Pressure Reducing Desuperheating Station) downstream steam lines with an ECT (Effluent Cooling Tower) downstream header. This optimization of operational processes directly contributes to energy savings.

- **Energy Saving by Process Modifications:** Low-pressure steam generation from higher-pressure steam condensates is now possible by providing a flash drum. This modification to the process flow significantly reduces energy consumption.

- **Energy Saving by Changing Lights and Fans:** In FY 2022-23, approximately 1.9 million KWH of power saving was realized through a comprehensive upgrade. This involved replacing old conventional light fittings with energy-efficient LED fixtures and substituting old conventional ceiling fans with energy-efficient Brush-less Direct Current (BLDC) fans. These changes highlight a commitment to adopting more efficient technologies in daily operations.

Cultivating a Greener Tomorrow

As part of its commitment to environmental protection, GNFC Bharuch has implemented the following key initiatives:

- **Miyawaki Forest Development:** Recently, 1.02 lakh trees of 92 diverse varieties were planted across approximately 2.2 hectares using the Miyawaki Forest Methodology, significantly contributing to local biodiversity.

- **'Namo Vad Van' Development:** GNFC has established 'Namo Vad Van,' a dedicated area featuring 110 well-grown Banyan trees, highlighting their efforts in preserving this significant species.

- **'Oxygen Park' Creation:** An 'Oxygen Park' spanning about 12 hectares has been developed, boasting approximately 24,000 well-established trees of around 36 different varieties, aimed at enhancing air quality and green cover.

- **Rainwater Harvesting:** To bolster groundwater levels, 12 recharge wells have been constructed, effectively harvesting rainwater and contributing to sustainable water management.

MANAGEMENT DISCUSSION AND ANALYSIS

1. Global & Indian Economic Scenario:

Over the past year, the global economy has experienced a slowdown marked by persistent inflation and geopolitical instability, resulting in a cautious outlook; conversely, India's economy has shown significant resilience, retaining its status as the fastest-growing major economy, driven by robust domestic consumption, government expenditure, and a dynamic manufacturing and services sector, positioning it as a standout performer in a more difficult global context.

2. Industry Structure and Development:

2.1. Fertilizer Industry

Climatic Conditions

Rainfall over the country as a whole during the 2024 southwest monsoon season (June -September) was 108% of its long-period average of 50 years. Thus, the seasonal rainfall was above normal (>104% of LPA) as per the IMD forecast.

The month-wise distribution of rainfall during the SW Monsoon 2024 was as follows.

	June 2024	July 2024	Aug 2024	Sept 2024	SW Monsoon 2024
Actual	147.2	306.6	295.2	185.8	934.8
Normal	165.3	280.5	254.9	167.9	868.6
% departure	**-10.95%**	**9.30%**	**15.81%**	**10.66%**	**7.62%**

Source: IMD; rainfall figures in mm.

The same figures for SW Monsoon 2023 are given in the table below.

	June 2023	July 2023	Aug 2023	Sept 2023	SW Monsoon 2023
Actual	148.6	318.4	162.7	190.3	820
Normal	165.3	280.5	254.9	167.9	868.6
% departure	**-10.1%**	**+13.5%**	**-36.2%**	**+13.34%**	**-5.55%**

Source: IMD; rainfall figures in mm.

Seasonal rainfalls over Northwest India, Central India, South Peninsula and Northeast (NE) India were 107%, 119%, 114% and 86% of respective LPA.

The southwest monsoon seasonal (June to September) rainfall over the monsoon core zone, which consists of most of the rain fed agriculture regions in the country received 122% of LPA.

The monsoon registered excess precipitation than normal. Above normal rainfall in the country ensured coverage of normal acreages in Kharif 2024.

Acreages

Kharif (Apr to Sep) – Against Kharif normal acreage (average of previous 5 years) of 1096 Lakh hectare, the country had achieved 1105 Lakh hectare registering 1% growth over normal.

Progress - KHARIF area coverage - As on 20.09.2024 - Lakh Hectare						
Crop	Normal Acreage Kharif	Actual		Variance over FY		Coverage (%) against Normal of Season
		2024-25	2023-24	Acreage	%	
Paddy	402	414	405	9.00	2.22	103
Pulses	136	129	119	9.30	0.08	95
Course Cereals	181	193	186	6.48	0.03	106
Oilseeds	190	194	191	2.92	0.02	102
Sugarcane	51	58	57	0.57	0.01	113
Jute & Mesta	7	6	7	(0.93)	(0.14)	85
Cotton	129	113	124	(10.95)	(0.09)	87
Total	**1,096**	**1,105**	**1,088**	**16.39**	**0.02**	**101**

Rabi (Oct-Mar) – In Rabi, country has achieved 661 Lakh hectare compared to normal acreage of 635 Lakh hectare.

Progress - KHARIF area coverage - As on 20.09.2024 - Lakh Hectare						
Crop	Normal Acreage Kharif	Actual		Variance over FY		Coverage (%) against Normal of Season
		2024-25	2023-24	Acreage	%	
Wheat	312	325	318	6.55	0.02	104
Rice	42	43	41	1.95	4.80	101
Pulses	140	141	138	3.09	0.02	100
Course Cereals	53	55	55	(0.21)	(0.00)	103
Oilseeds	87	97	99	(1.76)	(0.02)	112
Total	**635**	**661**	**651**	**10**	**5**	**104**

Source - https://www.agricoop.gov.in/all-india-crop-situation

In Kharif, the acreages of paddy, Coarse Cereals and Oilseeds increased over normal and the acreages of Cotton & Jute decreased over PY. In Rabi acreages of Wheat, Oilseeds, Coarse Cereals and Pulses have increased over normal and the acreages of Coarse Cereals and Oilseeds decreased over PY.

As per the advance estimates of Department of Agriculture and Farmer welfare, total food grain production in 2024-25 is estimated to be 330.9 million tonnes (mt), against food grain production in the 2023-24 crop year which was pegged at 309 mt. The increase in production is contributed by almost all the crops).

Minimum Support Price (MSP)

The MSPs of most of Kharif & Rabi crops are increased over 2023-24.

Minimum Support Prices – Rs./quintal			
CROPS	FY24	FY25	% Increase
Paddy	2,183	2,300	5%
Jowar	3,180	3,371	6%
Bajra	2,500	2,625	5%
Maize	2,090	2,225	6%
Tur (Arhar)	7,000	7,550	8%
Moong	8,558	8,682	1%
Urad	6,950	7,400	6%
Cotton	6,620	7,121	8%
Groundnut	6,377	6,783	6%
Soybean	4,600	4,892	6%
Sesamum	8,635	9,267	7%
Wheat	2,275	2,425	7%
Barley	1,850	1,980	7%
Gram	5,440	5,650	4%
Lentil (Masur)	6,425	6,700	4%
Rapeseed & Mustard	5,650	5,950	5%
Safflower	5,800	5,940	2%

Source - https://farmer.gov.in/mspstatements.aspx

MSPs are increased by 2% to 8% over previous year. Going by the past three years' data, the impact of the Minimum Support Price was almost nil on 12 of the 17 crops covered under MSP Scheme.

Government Policies – Fertilizers

No major changes in Policy have been announced during the year, except to continue reasonability of MRP/Discounts/margins guidelines on fertilizers governed through NBS policy.

GoI has strengthened efforts in setting up all fertilizer retail outlets into “Pradhan Mantri Kisan Samriddhi Kendra (PMKSK)”. The cost of conversion is continued to be met from the retailer margin being retained by the companies. There is no direct cost to companies.

GoI has started Namo Drone Didi initiative and have provided 1,100 drones to ladies pilots, who have been trained for using drones for spray on crops. Another 14,500 Drones shall be funded by GoI in next two years. The technology and the women empowerment goes hand in hand.

PM-PRANAM Scheme is continued in the FY25 with MDA (Market Development Assistance) of Rs 1,500 per MT on sales of Fermented Organic Manure (FOM, by-product of CBG Units under GOBARdhan Scheme).

Rates for Nutrient Based Subsidy (NBS) for the Kharif 2025 (01.04.2024 to 30.09.2024) and Rabi 2024-25 (01.10.2024 to 31.03.2025) are mentioned below.

Subsidy - Rs/MT				
Product	**Kharif 2024**	**Rabi 2024-25**	**Change**	**% Change**
DAP	25,176	25,411	235	1
ANP	15,148	14,764	-384	-3
20:20:0:13	15,395	14,993	-402	-3
SSP	4,804	5,121	317	7
MOP	1,427	1,427	0	0

Comparison of NBS rates for Rabi 2023-24 & Rabi 2024-25 is given below.

Subsidy - Rs/MT				
Product	**Rabi 2023-24**	**Rabi 2024-25**	**Change**	**% Change**
DAP	22,541	25,411	2,870	13
ANP	13,568	14,764	1,196	9
20:20:0:13	13,814	14,993	1,179	9
SSP	3,540	5,121	1,581	45
MOP	1,427	1,427	0	0

Rates for Nutrient Based Subsidy (NBS) for the Kharif 2025 (01.04.2025 to 30.09.2025) have been announced in advance. Comparison of NBS rates for Rabi 2024-25 & Kharif 2025 is given below.

Subsidy - Rs/MT				
Product	**Rabi 2024-25**	**Kharif 2025**	**Increase**	**% Increase**
DAP	25,411	31,299	5,888	23
ANP	14,764	17,324	2,560	17
20:20:0:13	14,993	17,663	2,670	18
SSP	5,121	7,263	2,142	42
MOP	1,427	1,428	1	0

There was no major change in the prices of DAP & Rock Phosphate during the year 2024-25. The GoI has ensured price control in DAP which was kept at 1,350 per bag MRP level. Reimbursement of “other costs” @ Rs 3500 pmt is continued for Kharif25 in DAP like last Rabi24-25. There is an additional provision of reimbursement of GST component included in MRP.

International Fertilizer Price – (USD/MT)			
Product	**Mar'24**	**Mar'25**	**% change**
DAP	583	640	**10%**
Rock Phosphate	203	175	**-14%**
Phos. Acid	968	1060	**10%**
Urea	323	425	**32%**
Natural Gas (MMBTu)	1.54	4.11	**167%**
Ammonia	445	454	**2%**
MOP	319	283	**-11%**

Incoterms- FOB-Urea, CFR-Others

Source - https://www.fert.nic.in/sites/default/files/2020-082025-05/Monthly_Bulletin_March_2025_english.pdf

Fertilizer – Production, Imports & Consumption

Production & Import of Urea & DAP decreased over FY24. Sales of Urea, NPK, MOP & SSP increased and sales of DAP decreased.

Fertilizer	2024-25 (Lakh MT)			2023-24 (Lakh MT)		
	Production	Import	Sales	Production	Import	Sales
Urea	306	56	388	314	70	358
DAP	38	46	93	43	56	108
NP/NPK	113	23	142	95	22	111
MOP	0	35	22	0	29	16
SSP	52	0	49	44	0	45
Total	**509**	**160**	**694**	**496**	**177**	**638**

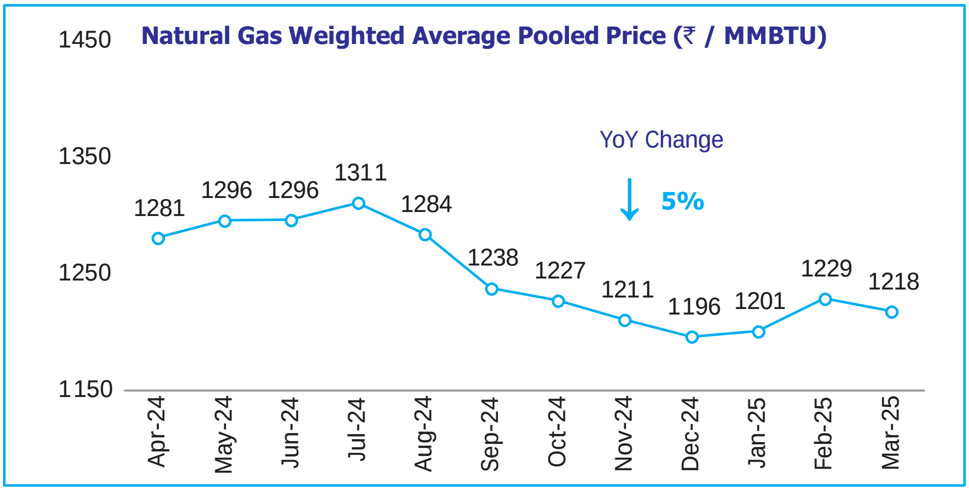
During FY 2024-25, production of Urea & DAP decreased whereas production of NPKs & SSP increased over FY24. Imports of Urea & DAP reduced over FY23-24. Sales of NPK & MOP increased and sales of SSP decreased.

% Variance over FY 23-24			
Fertilizer	**Production**	**Import**	**Sales**
Urea	-3%	-25%	8%
DAP	-13%	-22%	-16%
NPKS	16%	4%	22%
MOP	NA	17%	27%
SSP	15%	NA	8%
Total	3%	-11%	8%

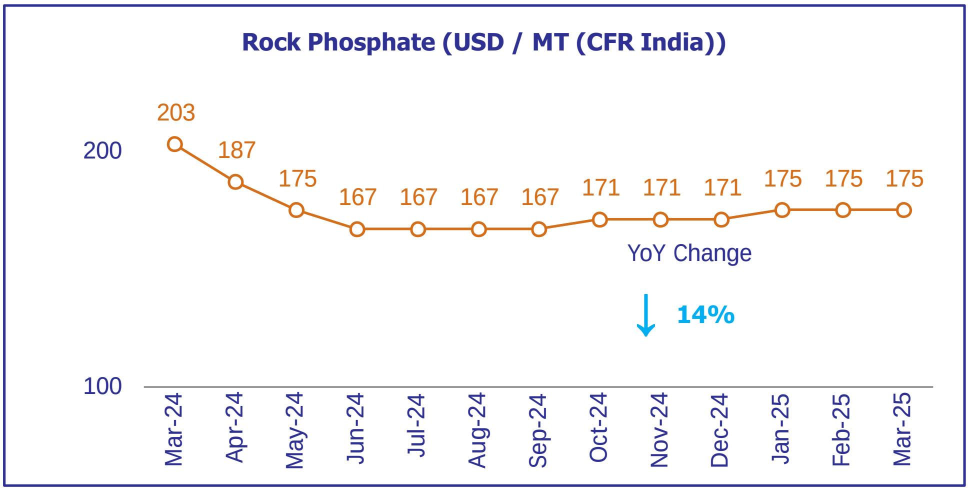
Source - https://reports.dbtfert.nic.in/

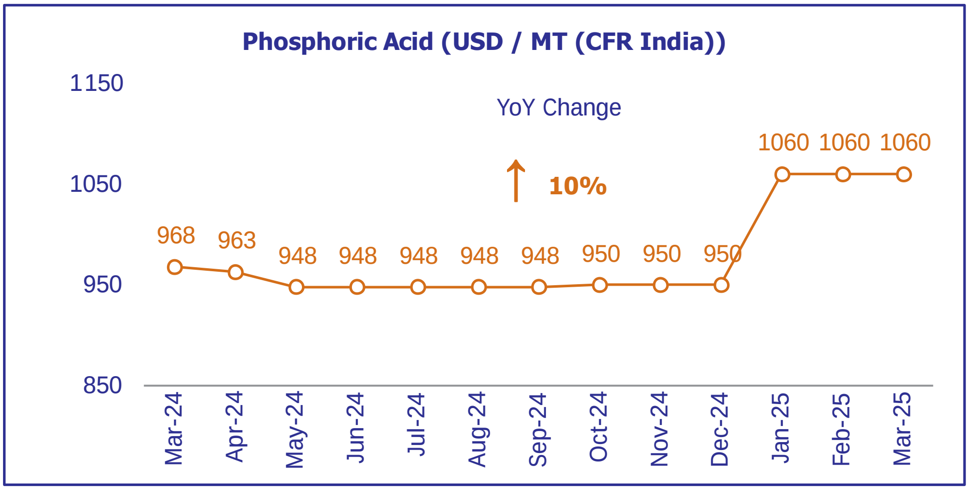
Closing stock (LMT) as on 31.03.2025, in the country is less compared to previous year (as on 31.03.2024) Urea-55.96 (79.83), DAP-9.15 (17.75), NPK-34.04 (40.16) where as there is more stock compared to previous year in case of MOP – 8.83 (6.36) &,,SSP-21.58 (18.70).

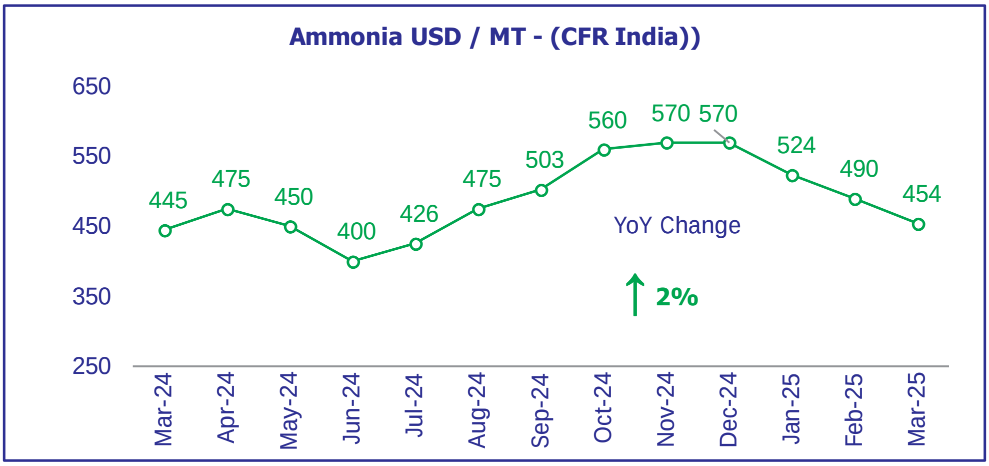
Raw Material & Fertilizer Price Trend:

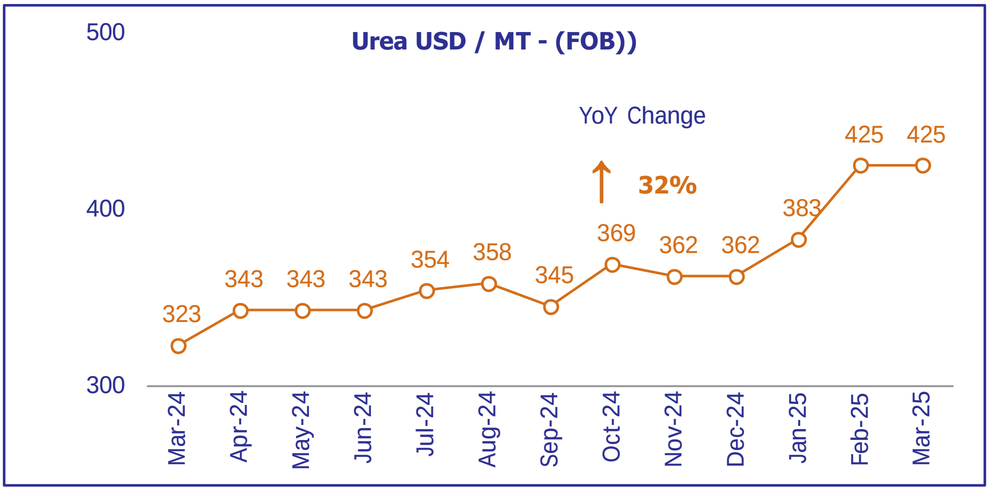


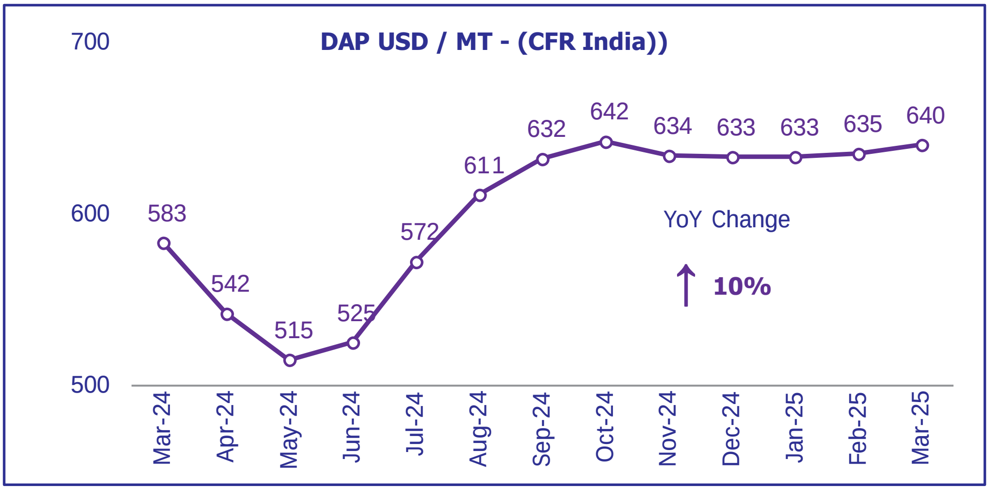
Source : Company







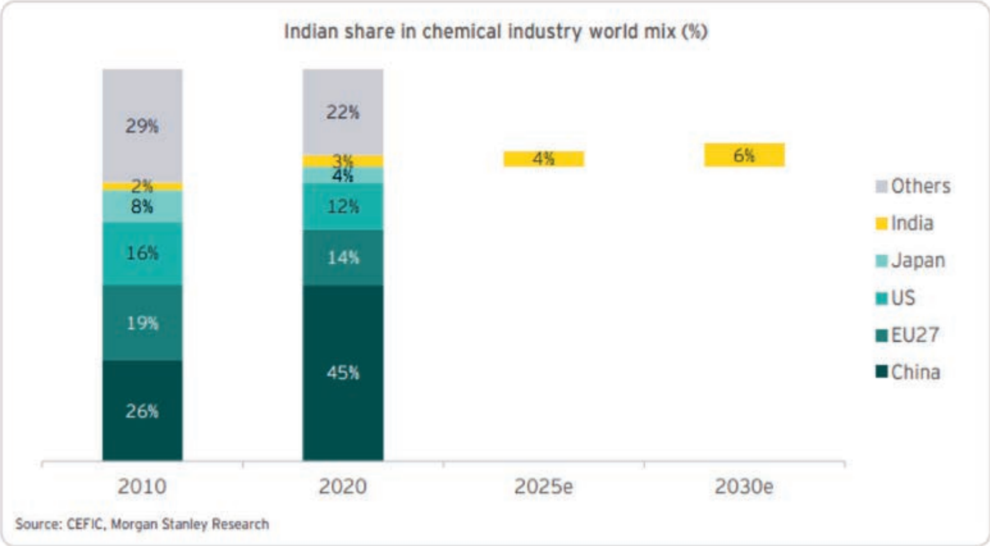




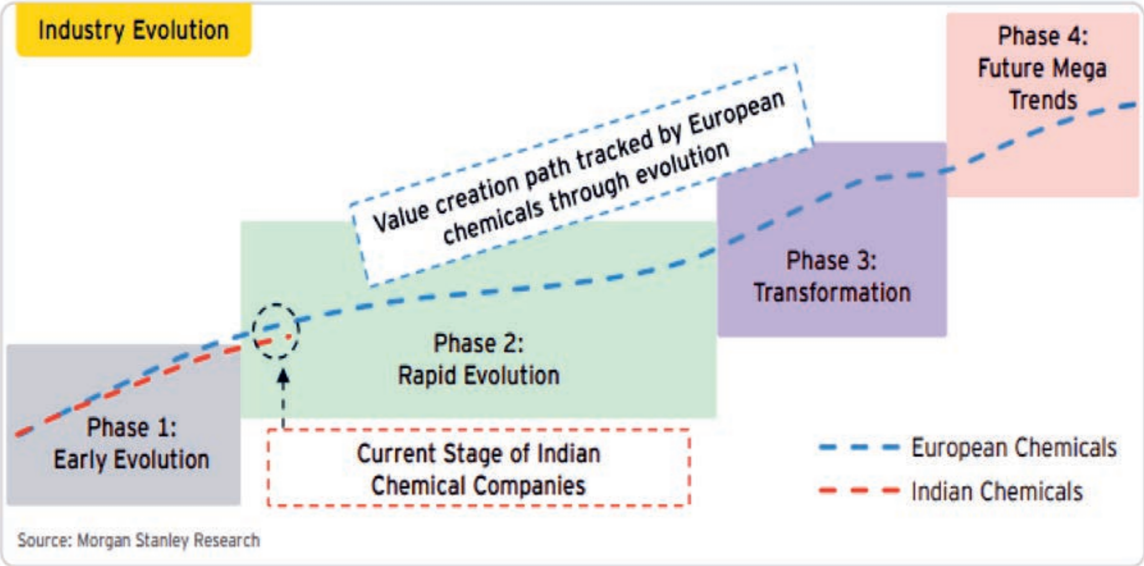
Source: Department of Fertilizer

2.2. Chemical Industry

The Chemical Sector is a fundamental pillar within the Indian economic framework, playing a pivotal role in contributing to the country's financial stability and growth. The Indian chemical industry has maintained its position as the sixth and third largest producer of chemicals in the world and Asia, respectively. However, it is still a small part of the global value chain, contributing about 2.6% to the global chemical industry and is expected to reach US$304 billion by 2025. India is expected to be well positioned to capture a larger share of the global Chemical and Petrochemical (CPC) markets through 2030, doubling its share from 2020.



The Indian chemicals industry exhibits significant upside potential as companies expand product offerings, since India chemicals are tracking a path similar to their European peers, which saw value creation of over US$200 billion since 2005. Indian chemicals industry is at the second stage of the value-creation cycle with multiple upside levers ahead, including rapid expansion by investments and added capacities, transformation through vertical integration and other future mega trends.



Sources: CEFIC, Morgan Stanley, EY analysis

3. Opportunities and Strengths:

a. In chemical segment, to cater to demand growth, profitable opportunities are being explored in different chemicals. Major benefits envisaged from change of world's view about China post pandemic.

b. Company has entered into Long/Mid Term / Annual Contracts / Agreements for supplies of most of the critical Raw Materials like Coal, Oil, Rock Phosphate, Packaging Materials etc. which are essential for continuous production. Company is continuously trying for broad basing supplier base.

c. In respect of fertilizers and chemicals, both, trading is another opportunity which is being explored.

d. For IT business, areas like software, e-Governance to support ever evolving client requirements are likely focus area apart from looking at evolving technologies for foray.

4. Segment-wise performance for FY 2024-25:

₹ Crores

Segment	Revenue	Revenue %	Result	Result %
Fertilizers	2,900	37%	(180)	(35%)
Chemicals	4,900	62%	665	131%
Others	92	1%	23	4%
Total	**7,892**	**100%**	**508**	**100%**

Fertilizer Segment revenue has been decreased by ₹ 154 Crores from ₹ 3,054 Crores to ₹ 2,900 Crores mainly due to lower volume in Neem Urea & Fertilizer trading partially compensated by higher volume & realization of complex fertilizer and claimable subsidy of Urea in view of higher variable cost. Fertilizer Segment Results improved from loss of ₹ (244) Crores to loss of ₹ (180) Crores, improved by 26% at ₹ 64 Crores mainly due to decrease in input cost of complex fertilizer, decrease in fixed cost of both the fertilizer products and higher volume in both the fertilizer products partially offset by higher energy norms in Neem Urea due to scheduled maintenance of Gas based power plant.

Chemical Segment revenue increased by ₹ 174 Crores from ₹ 4,726 Crores to ₹ 4,900 Crores due to higher volume in all the products except TDI (due to annual maintenance shutdown in Q 1 FY 23-24 at Bharuch and Annual shutdown at Dahej during H 1 24-25), Ethyl Acetate (due to priority to AA sale), which partially got offset by lower realization in all the products except AN Melt, Technical grade urea, Aniline and Formic Acid. Chemical Segment Results increased from ₹ 542 Crores to ₹ 665 Crores higher by 23% at ₹ 123 Crores mainly due to decrease in input cost, fixed cost and higher volume partially offset by annual shutdown at TDI Dahej plant and decrease in realization.

The other segment revenue decreased by ₹ 58 Crores from ₹ 150 Crores to ₹ 92 Crores mainly due to decrease in revenue of IT services provided by (n)Code Solutions. The other segment results decreased from ₹ 45 Crores to ₹ 23 Crores lower by 49% at ₹ 22 Crores mainly due to lower profitability of IT services.

5. Outlook:

5.1. Fertilizers Business:

The India Meteorological Department (IMD) is predicting/forecasting above-normal monsoon for the second consecutive year in 2025. As per the IMD, average or normal rainfall is ranging between 96% and 104% of a 50-year average of 868 mm (~87cm, ~35 inches) for the four-month season (South West Monsoon -June to Sep).

Looking at the low Urea opening stock at country level compared to previous year, Urea will continue to get sold as per availability and on normal terms.

Due to upward revision in NBS rates for Kharif-25, expecting better realization for ANP product and good monsoon will enhance the scope for the same. As always, there will be a preference to DAP due to low MRP with higher nutrients and the grade is well accepted by the Indian farmers. Looking at the opening stock of fertilizers for the year, prediction of good south west monsoon, good crop yields during last year, better prices etc is good for the fertilizers business.

Due to limited production, Fertilizer business team is exploring/focusing on enhancing trading activities for both bulks (subsidized) & non-bulk (non-subsidized) in the agri inputs sector thru retail outlets (COCO model) as well as thru dealer/wholesale network. Under PM-PRANAM program, we are promoting FOM (Fermented Organic Manure) under MDA scheme. Apart from this, company is supporting initiatives taken by DOF/fertilizer ministry/Agri dept like Namo Drone Didi scheme, PMKSK, PM-Kisaan Sangosthi, PM-PRANAM, DBT (PoS)etc.

5.2. Chemicals Business:

The chemicals industry's revenues grew at a CAGR of about 10.5 percent between fiscal years 2018 and 2024, compared to India's GDP growth of around 9 percent during the same period. With industry revenue outpacing GDP growth, India's chemicals industry has contributed to the country's economic expansion. Despite dropping industry margins and the impact of macroeconomic pressures, revenue growth remains encouraging. The industry seems positioned as a relatively resilient, high-growth market garnering domestic as well the global demand.

Risk and concerns:

a. Most products are import substitutes and hence fierce competition from dominant foreign suppliers is a major threat.

b. Key raw materials and feedstock are purchased at import parity price and its availability from limited supplier base and at time almost single pre-dominant source operates as possible threat to profitable operations.

c. NBS support from time to time may not match with actual input costs hence may affect profitable operations.

d. Energy norms for fertilizers being prescribed without capital subsidy support increases further strain on resources is a source of major risk.

6. Internal control system, their adequacy and Risk Management:

The Company has an independent Internal Audit function with a well-established risk management framework. The scope and authority of the Internal Audit function are derived from the Internal Audit Charter approved by the Audit Committee.

The Company has engaged a reputable external firm to support the Internal Audit function for carrying out the Internal Audit reviews.

The Audit Committee meets every quarter to review and discuss the various Internal Audit reports and follow up action plans of past significant audit issues and compliance with the audit plan.

The Internal Financial Control framework of the company is subjected to review every year independently.

The Company has well-defined Enterprise Risk Management (ERM) framework in place which evolved over the years.

Risk Management:

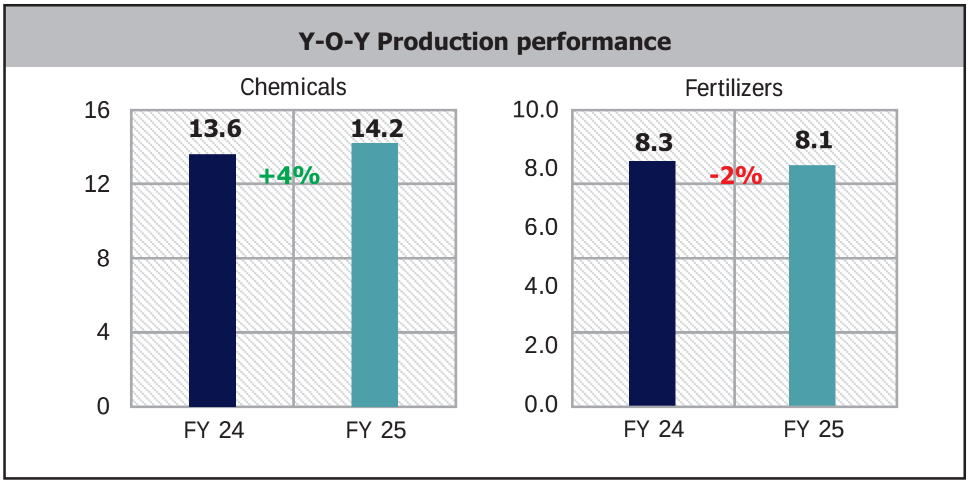
Risks are identified proactively periodically considering inputs from external as well as internal factors along with risk mitigation plans. The company has well defined Governance Structure viz., from Board to Committee to Risk Management function.

Company has developed the digital risk management platform where through the mechanism of action taken reports, the identified mitigation plans are monitored for their execution / current status against their set target dates.

Risk Management Committee meeting takes place twice during the year wherein the framework as well as various risks are reviewed thoroughly. In addition to this, Risk Management Report covering various risks is put-up before the Board of Directors Meetings periodically for their review.

7. Operational & Financial performance

7.1. Operational Performance (Production):



The Company has achieved remarkable production performance during the year 2024-25. Day to day plant operations were closely reviewed and plant operations were optimized accordingly, to maximize profit. During the year, strategic optimization of various plant operations had to be done keeping in line with prices of raw materials so as to achieve cost reduction in all aspects.

New Records Established:

During the year 2024-25, in all, 68 nos. of new records were established, out of which 43 nos. of new records were established in Production and 25 nos. in Dispatch /sale. Ever highest daily production achieved for Technical Grade Urea, Methyl Formate, Formic acid, WNA-II, CNA-IV, Nitro benzene, DNT-Bharuch, Technical Grade Urea Bagging.

Ever highest Monthly production achieved for Technical Grade Urea, Methyl Formate, Formic acid, WNA-II, CNA-IV, Nitro benzene, Aniline, TDI-I, Technical Grade Urea Bagging.

Production/ Operational Performance: 2024-25

Ammonia plant, achieved a significant milestone with highest ever production even with anxiety of Ammonia product cooler (E-706) leakage. Single/Dual gasifier operation were meticulously planned considering NCU/TGU production. Ammonia storage tank replaced from single wall to double wall & lined up on 22nd June 2024. Retrofit of turbine of refrigeration compressor and Synthesis gas compressor for energy saving is under active consideration.

In Ammonia synthesis gas generation plant (ASGP) plant, the Reformer crossed 1,00,000 lac running hours. ASGP plant operated at low load due to burner block hotspot and high tube skin temperature & plant load optimized accordingly. Energy saving scheme for NG preheating with process condensate is under execution & hydrogen compressor will be installed on delivery.

Urea plant witnessed a 'Golden' year in its history achieving highest ever yearly total urea and technical grade urea production. The plant achieved lowest HPSH equivalent specific steam & power consumption. New higher capacity urea molten pump successfully commissioned and MP carbamate pump erection work is under progress. Civil work & procurement of VFD for torque converter replacement in HP ammonia pump for energy optimization is under progress.

Methanol-I/SGGU/MSU plants remained inoperative throughout the year due to unfavorable cost economics.

In Methanol-II plant, plant operated from April to Nov.'24 as per NG availability. Thereafter, remained under shutdown due to economics. Captive consumption requirements for Formic acid & Acetic acid plants are met by sourcing methanol from market. Extra wet methanol of FA plant is purified in Methanol Distillation Unit as the drying column of FA is not designed for higher load. PSA continue to operate on oil-based gases after Methanol-II shutdown.

In Formic Acid plant, both MF and FA have set new milestones in production levels. To independently treat wet methanol of FA plant and to prevent metal contaminants going to Acetic acid plant, provisions done for separate storage of bought out methanol & FA reprocessed methanol. This has resulted into Methanol distillation unit (MDU) operation on fortnightly basis for @ 2-3 days. Daily and Monthly highest MF sale is also recorded during the year.

Acetic Acid plant, established a stable plant operation and lowest NIL production days with best Ir-Ru catalyst consumption, showing its strength and consistency.

Ethyl Acetate plant, operated steadily during the year without any major leakages in Reactor and Reactive Distillation Column. Swinging economics and stock situations prevented from achieving highest annual production. Yet, highest batch production of 38222 MT in 195 days was achieved. Daily drum filling record was achieved during the year.

CATSOL Unit, fulfilled annual order of 760.35 MT catalyst supply, marking a fivefold leap than previous years. This year's order is yet to be finalized.

IP Filling Station has set new milestones in dispatching Daily/Yearly CNA, Monthly Methyl Formate, Daily/Yearly Formic Acid.

In **WNA-I plant,** in Apr.'24 shutdown, a specialized agency conducted chemical cleaning and high-pressure jetting of Waste heat boiler coils to enhance performance & enable significant recovery of precious metal dust. Specialized cleaning of WNA storage tanks resulted in substantial gains due to recovery of precious metals. In Oct.'24 shutdown, De-N_2O Envicat catalyst were installed in reactor to reduce greenhouse gas emissions. Within 6 months, reduction of @ 2,60,880 MTs of CO_2-equivalent emissions achieved with potential to further decrease it by @ 5,20,000 MTs annually.

In **WNA-II plant,** in Oct.'24 shutdown, chemical cleaning of reactor, high pressure hydrojetting of Nox condensor, replacement of inter-stage cooler from aluminum to SS, tail gas expander IGV replacement resulted in higher plant performance.

In **CNA-II Plant**, as part of ongoing safety improvements, base plates and floor tiles on the first floor have been replaced.

In **CNA-III plant,** highest ever on stream hours achieved along with continuous running hours record.

In **CNA-IV plant,** record of highest ever on stream hours achieved.

ANP plant, was operated as per WNA availability and product priority. In rock phosphate area to unload higher capacity dumpers inside silo, increasing height of third silo (2A) is under progress. AN Melt transfer loop line erected & commissioned for in-house chemical cleaning without affecting production.

In **Steam & Power generation plant**, Operational philosophy for power generation was optimized due to higher fuel prices. For environment protection, Sprinklers and dust fall wall installed and tree plantation done at Coal Handling Plant.

In Utility Group of Plants, uninterrupted supply of all the Utilities were done. Resins of Cation-A & D ion exchangers were replaced to enhance efficiency. To enhance fire fighting capacity, Diesel driven fire water pump commissioned & taken in service while other pump is installed & its commissioning activities are under progress. Fire pump-house of Aniline-TDI and Fertilizer group have been interconnected to improve reliability.

Aniline Plant was operated for 356 on-stream days. Plant was operated with occasional lower load as per prevailing marketing conditions of Aniline, NB & CNA. Energy conservation Turbine (ECT) generated 78,24,310 kWh of power. Nitrobenzene and Aniline plants achieved lowest Nil production days.

TDI Plant was operated for 358 on-stream days. In line with prevailing international market & to cater to customers' requirement, TDI was manufactured using a new Antioxidant (LeNox 1076) & usage of BHT stopped. Highest ever quantity of TDI was dispatched in road tankers. Amine Water was sent to TDI-II Dahej and Red water was sent to external agency for further treatment & disposal. Incinerator-2 with SCC roof detachment incident root cause analysis (RCA) study has been given to external agency & report awaited. Internal oil leakage in LIST Reactor started since June'24, however the plant operation was continued with changes in operational philosophy. PdCl2 & PtCl4 recovered mainly from MTD spent catalyst and sent to TDI-II Dahej to curtail fresh procurement.

TDI-II Dahej Plant operated for 208 on-stream days with capacity utilization of 59.70%. The production levels were lower than expected due to several factors like three power failures from state grid & planned shutdown of 54 days which was got extended to 125 days. Unforeseen failure of TAR concentrator reboiler, secondary reboiler pump & suction line leakage of purification reboiler pump, replacement of vent & caustic scrubber catch tank and suction line of secondary reboiler pump resulted in delays of the planned shutdown activities. The start-up got delayed due to various operational issues.

All three VAM machines have been replaced with electrically driven screw chillers which has resulted in steady chilled water supply to consumer plants in peak summer.

ISO 14001:2015 and ISO 45001:2018 certificates from M/s. Bureau Veritas (India) Pvt Ltd for GNFC complex Bharuch are valid up to 03rd September 2025.

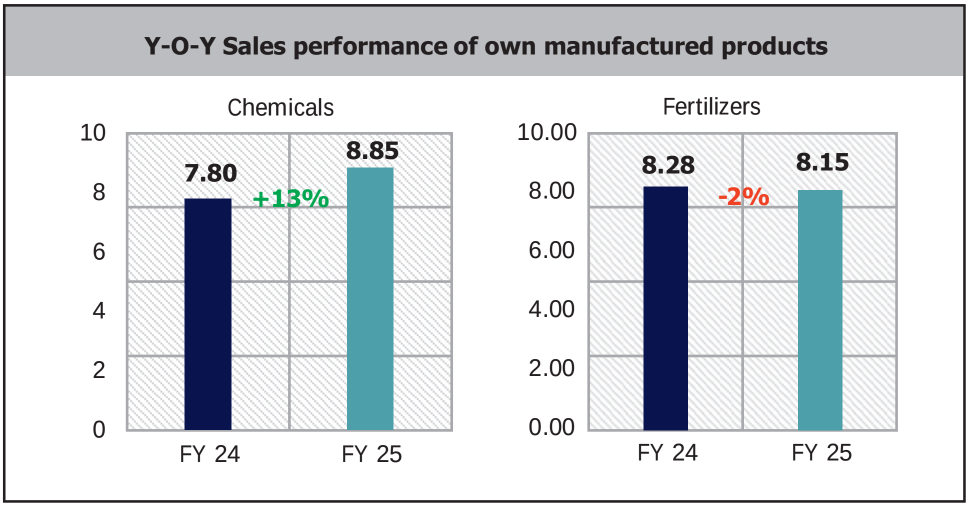
ISO 9001:2015 and ISO 50001:2018 certificates from M/s. Bureau Veritas (India) Pvt Ltd for GNFC complex Bharuch is valid up to 07th May 2027 & 13th June 2027 respectively.

ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and ISO 50001:2018 certificates from M/s. Bureau of Veritas India Ltd for GNFC Dahej complex is valid up to 17th December 2025.

Re-certification audit of **ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and ISO 50001:2018 has been conducted by** M/s. Bureau of Veritas India Ltd in March 2025 for GNFC Bharuch & Dahej Complex for combine certification. M/s. Bureau of Veritas India Ltd recommended for continuity of certification which will be valid for next three years. However, certificates are awaited.

7.2. Sales Performance:

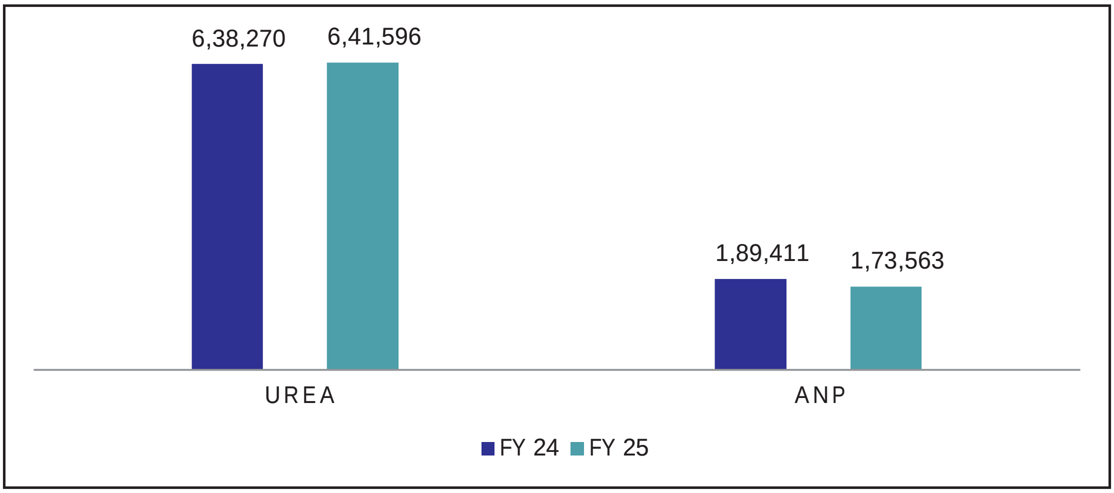
"Qty. in LMT"



Fertilizers Sales performance

GNFC Sales during FY25 is more (marginally) in Urea, however, there is decrease in ANP sales by 9% compared to FY24 on account of comparatively lower availability/production during FY25.

"Qty. in LMT"



Trading operations continued and overall quantum is 27% lower compared to last year mainly due to non-availability of DAP (decreased by > 50% compare to last year).

Fertilizer Trading (MT)				
Products	**FY24-25**	**FY23-24**	**Variance MT**	**% Variance**
City Compost/FOM	5,472	2,665	2,807	105%
DAP/TSP	10,958	23,477	(12,519)	-53%
SSP	3,815	4,382	(567)	-13%
MOP	1,168	1,167	1	0%
UREA (Traded)	744	197	547	278%
Ammo. Sulphate	2,164	2,180	(16)	-1%
NPKs/Poly Sulphate	457	0	457	NA
Total	24,778	34,068	(9,290)	-27%

In addition, an attempt was made to have a stronger synergy with GATL (wholly owned subsidiary of GSFC), we sold non bulk agro products worth Rs 78 Lakh through our retail outlets during FY25 and earned profit margin of Rs. 15 Lakh during FY25. We halve also started trading of Agrochemicals manufactured by M/s IFFCO-MC from our retail outlets. Besides, we supplied 490 MT of Urea & 220 MT ANP to GATL retail outlets in Gujarat & Rajasthan.

NEEM AGRI PRODUCT: The sale of neem oil pesticide has significantly increased over last year (FY25-34065 L vs FY24-21440 L, by registering a record growth of 59%). Normally, we sell two variants of neem oil pesticide viz 300 ppm & 1500 ppm and received good feedback from the farmers.

Chemicals sales performance

GNFC's products have better resonance due to their application and use in different end use sectors. Hence, several industrial products of GNFC outperformed against the previous year viz. Technical Grade Urea, Acetic Acid, AN Melt, Formic Acid, Concentrated Nitric Acid (CNA), Aniline and Methanol. Milestone was created by achieving highest ever annual sales for some of our main products like TGU and Formic Acid in FY 2024-25. TGU, TDI & AN Melt made 20%, 19% & 15% share of the industrial products turnover respectively in the FY 2024-25.

7.3. Materials Management

Feed stock availability

Since inception of GNFC, IOCL has been meeting our entire requirement of petroleum feed-stock (HSFO/LSHS-P/FOHV). The pricing terms under the supply contract are finalized every year. The current agreement signed between GNFC and IOCL for supply of FOHV, LSHS-P and HSFO is valid up to 30-4-2029.

Long Term Contracts

Company has entered into Long Term / Annual Contracts / Agreements for supplies of most of the critical Raw Materials like Coal, FOHV/FO, Natural gas, Rock Phosphate, Benzene, Toluene etc. and Packaging Materials, which are essential for continuous production.

Vendor Registration / Vendor Management

To have resourceful, competitive and cost-effective vendors in approved list, continuous efforts are being made to enlarge vendor base for supply of goods. In 2024-25, total 290 new applications were processed for vendor registration and 9 new vendors added in the vendor list. This will help in increasing competition and improvement in delivery of goods.

Disposal of Used Equipment / Scrap

With the sustained team efforts, the disposal of used equipment / scraps and surplus items worth Rs. 1,583.43 Lakh was achieved during 2024-25.

(Amount in Rs. Lakh)

LOCATION	SCRAP DISPOSAL	SURPLUS DISPOSAL	TOTAL
BHARUCH	825.31	693.65	1,518.96
TDI-II DAHEJ	59.6	4.87	64.47
TOTAL	884.91	698.52	1,583.43

Outlook for 2025-26

On raw material front;

✓ **FOHV / HSFO / LSHS-P**

Their prices vary depending on International crude prices. Recently, international Crude Oil prices are having downward trend. The Crude prices are difficult to forecast especially due to current geo-political disturbances.

✓ **Coal**

GNFC has been getting Indian Coal under the ambit of Fuel Supply Agreement (FSA) with M/s South Eastern Coalfields Limited (SECL) a subsidiary of Coal India Limited (CIL). FSA between GNFC and SECL is renewed w.e.f. 01-05-2023 and valid up to 30-04-2028.

Indian Coal is being utilized for the production of Urea Fertilizer and accordingly, the annual contract quantity has been reduced to 2.2 lakh MT. For the requirement of Coal towards balance plants, Imported Coal is being procured through competitive bidding and subsequently Reverse Auction is being conducted on nCode portal.

✓ **Benzene and Toluene**

Benzene and Toluene are being procured on Import Price Parity basis. During the FY 2024-25, the average annual purchase rate of Benzene increased from Rs. 80,927/- to Rs. 88,151/- (8.93%) and the average annual purchase rate of Toluene decreased from Rs. 91,103/- to Rs. 83,363/- (8.50%) PMT as compared to FY 2023-24, on Net of Credit basis.

Currently, the commodity prices are highly volatile. It is anticipated that, the prices will remain volatile during 2025-26 till global business stability established. As a result, it is expected that aromatic market will remain unpredictable during FY 2025-26. Exchange rate for INR / USD is also one of the concern/s.

Considering above points of view, an annualized average prices of both Benzene and Toluene are expected to remain volatile during FY 2025-26.

✓ **Rock Phosphate**

Phosphoric Acid prices:

During FY-2023-24 Phosphoric Acid prices were in the range of USD 850 – 985 PMT. During FY 2024-25 it is increased in the range of USD 948 – 1,055 PMT. Phosphoric Acid prices for Apr-June-2025 is declared as USD 1,153 PMT.

Reduction in YoY Prices for Jordan origin Rock Phosphate 73/75 BPL grade is observed till First half of 2025. However, during Second Half of 2025. Rock Phosphate prices are likely to increase.

Due to geo-political disturbances in Red Sea area, Ocean freight charges have remained concern during last year. However, it is expected that, the geo-political tension will be eased out and freight rates will stabilize during FY 2025-26.

✓ **Natural Gas**

Our total natural gas requirement for Urea production is met up to June 2026 through competitive Long term /Medium Term contracts. However, if any short fall in natural gas supply is found then the same can be mitigated by submitting our monthly deficit gas requirement to EPMC (pooling for Urea gas) or by floating spot tenders.

Total gas requirement for industrial products is being met by floating monthly spot tenders and/or through contract finalization on competitive bidding for Short or Medium term basis.

Projection of future price trend of natural gas remains higher, however, it is very difficult to forecast natural gas prices considering high volatility, supply-demand and geo-political disturbances.

8. Comparative Financial Performance Highlights:

Charts A and B illustrate GNFC's financial performance

Chart A: EBITDA and EBITDA %

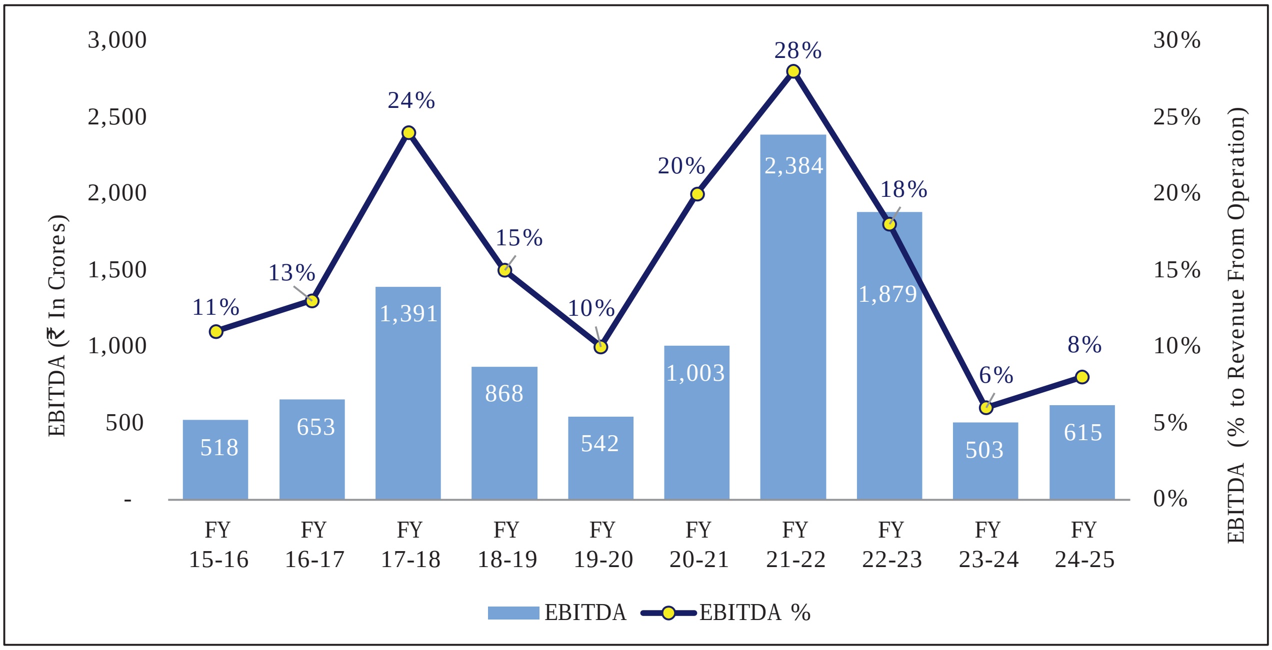
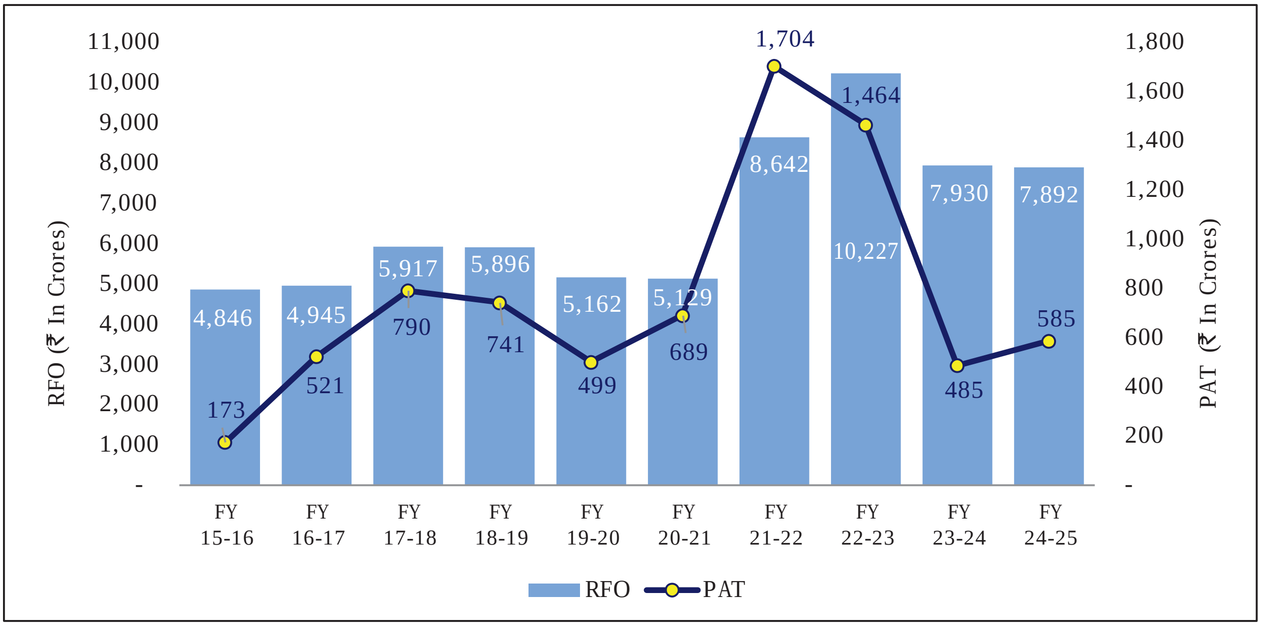


Chart B: Revenue from Operations (RFO) and PAT



(₹ Crores)

Particulars	FY 24-25	FY 23-24	Change	
			Value	%
Revenue from operations	**7,892**	7,930	(38)	(0%)
Other income	**501**	469	32	7%
EBITDA @	**615**	503	112	22%
PBT	**790**	651	139	21%
PAT	**585**	485	100	21%
Book value (₹ Per share)	**575**	558	17	3%
EPS (₹ Per share)	**39.85**	31.67	8.18	26%

@ EBITDA Excludes Other income

During FY 24-25 RFO is lower as compared to FY 23-24 mainly due to prolonged maintenance shutdown of TDI - Dahej plant. Revenue is further affected by sales realisation in most of chemical products. Lower revenue is offset by higher volume in most of the products at Bharuch complex since there was annual planned maintenance shutdown at Bharuch during FY 23-24 resulting into lower volume in most of the products in that period.

There is a better financial performance on the back of operating performance where PBT improved by 21% for the full year. The improved results is attributable to improved volumes apart from lower feed and fuel prices helping margin improvement. At Dahej complex, the shutdown period impacted the sales volume.

Cash Flow Summary **(₹ Crores)**

Particulars	FY 24-25	FY 23-24	Change	
			Value	%
Operating cash flow before working capital changes	**748**	648	100	15%
Net change in working capital	**38**	(404)	442	109%
Taxes paid	**(180)**	(212)	32	15%
Net cash from operating activities	**606**	32	574	1,794%
Net cash from / (used in) investing activities	**(466)**	1,235	(1,701)	(138%)
Net cash (used in) financing activities	**(262)**	(1,281)	1,019	80%
Net (Decrease) in cash & cash equivalent	**(122)**	(14)	(108)	(771%)

During FY 24-25, Operating cash flows are higher due to subsidy release support from GoI. Further, Outflow for investment activities represents investments in deposit and Capex expenditure whereas outflow of financing activity is mainly payment of dividend.

During FY 23-24, the highest ever dividend payment as well as first ever Share Buyback Program of ~₹ 461 and ~₹ 802 crores, respectively, are the main reasons for cash outflow under financing activities whereas the positive investment activities refer to liquidation of cash deposit positions held for meeting the needs of financing activities.

9. Material development in Human Resources/ Industrial Relations front including number of people employed

The company's Human Resource is a highly valued contributor to the success of business of the company. Ensuring well-being of employees on the job and off the job remains top priority of the company with focused attention to provide an inclusive environment for promoting diversity in gender, age and culture and inculcating organizational values and ethics.

The company makes all possible efforts for maintaining work life balance and improving the well-being of its employees through various welfare schemes leading to an atmosphere conducive to sustained growth of the company. The company conducts various In-house training programs on safety awareness, environmental protection, health awareness, awareness on sexual harassment policy, as also, for enhancing employee's skill and knowledge.

The company's proactive actions have resulted in harmonious, cordial and healthy industrial relations throughout the year which has helped in sustained growth and enrichment of value for the shareholders.

Rightsizing of the company and continuous enhancement of productivity, learning and skill sets of the employees remains the prime focus of the company.

The total strength of the Human Assets of the Company was 2388 on 31.03.2025.

10. Significant changes in key financial ratios along with explanations:

Key Financial Ratios (Standalone) for the Financial Year ended 31.03.2025 are provided here below:

Particulars	Units	FY 24-25	FY 23-24	Change (%)	Reason
Debtors turnover	Times	**15.05**	15.96	(6%)	
Inventory turnover	Times	**6.64**	7.07	(6%)	
Interest coverage	Times	**26.81**	40.09	(33%)	a
Current ratio	Times	**4.67**	4.14	13%	
Debt equity ratio	Times	**0.01**	-	100%	b
Operating profit margin	%	**10.31**	8.37	23%	
Net profit margin	%	**7.42**	6.11	21%	
Return on net worth	%	**7.03**	5.64	25%	c

a. Interest coverage ratio has decreased by 33% mainly due to higher interest expense compared to previous year.

b. Debt equity ratio is increased due to higher short-term borrowings as on 31.03.2025 compared to previous year.

c. Return on net worth increased by 25% due to increase in net profit by ₹ 100 Crores.

11. Cautionary Statement:

The statements in Management Discussion and Analysis describing the company’s objectives, expectations or projections, may be forward looking and it is not unlikely that the actual outcome may differ materially from that expressed, inûuenced by wide variety of factors affecting the business environment and the company’s operations. The company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or event.

NOTICE

NOTICE IS HEREBY given that the **49th Annual General Meeting (AGM)** of the Members of Gujarat Narmada Valley Fertilizers & Chemicals Limited will be held **on Tuesday, September 09, 2025 at 03:00 P.M.** through two-way Video Conferencing ('VC') facility or Other Audio Visual Means ('OAVM') to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements and Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2025 and the Reports of the Board of Directors and Auditors' thereon.

2. To declare Dividend on equity shares for the Financial Year ended March 31, 2025.

3. To appoint a Director in place of Shri S. J. Haider, IAS (DIN: 02879522), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. Re-appointment of Shri Bhadresh Mehta (DIN: 02625115) as an Independent Non-Executive Director of the Company.

To consider and if thought fit, to pass the following resolution **as a Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, read along with Schedule IV to the Companies Act, 2013 ('the Act'), the Companies (Appointment and Qualifications of Directors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and Regulation 17 and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Shri Bhadresh Mehta (DIN: 02625115), who was appointed as an Independent Non-Executive Director of the Company for a term of three (3) consecutive years commencing from September 27, 2022 to September 26, 2025 and who being eligible for re-appointment as an Independent Non-Executive Director has given his consent along with a declaration that he meets the criteria for independence under Section 149(6) of the Act and the Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director and based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, be and is hereby re-appointed as an Independent Non-Executive Director of the Company, not liable to retire by rotation, to hold office for a second term of three (3) consecutive years commencing from September 27, 2025 to September 26, 2028 (both days inclusive)."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

5. Appointment of Shri Susanta Kumar Roy (DIN: 07940997), as an Independent Non-Executive Director of the Company.

To consider and if thought fit, to pass the following resolution **as a Special Resolution:**

"RESOLVED THAT in accordance with the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act"), read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 ("Rules") (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), and Regulations 16(1)(b), 17(1) and 25(2A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, the Articles of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the appointment of Shri Susanta Kumar Roy (DIN: 07940997), who was appointed as an Additional Director (Independent Category) in terms of Section 161(1) of the Act and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature for the office of Director, being eligible, as an Independent Non-Executive Director of the Company, not liable to retire by rotation and to hold office for a term of three (3) consecutive years effective from August 06, 2025 to August 05, 2028, be and is hereby approved."

"**RESOLVED FURTHER THAT** the Board of Directors and/or the Company Secretary 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."

6. **Appointment of Shri Sanjeev Kumar, IAS (DIN: 03600655) as Director of the Company:**

To consider and, if thought fit, to pass the following Resolution **as an Ordinary Resolution:**

That pursuant to the provisions of Section 149, 152 and all other applicable provisions of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, Shri Sanjeev Kumar, IAS (DIN: 03600655), who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. August 11, 2025 pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company (AoA) and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member proposing his candidature for the Office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

7. **Appointment of M/s J J Gandhi & Co., Practicing Company Secretaries as a Secretarial Auditor of the Company.**

To consider and, if thought fit, to pass the following Resolution **as an Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), and based on the recommendation(s) of the Audit Committee and the Board of Directors of the Company ('Board'), M/s J J Gandhi & Co., Practicing Company Secretaries having Firm Registration Number S1996GJ018900, be and is hereby appointed as the Secretarial Auditors of the Company for a term of five (5) consecutive years with effect from Financial Year 2025-26 to Financial Year 2029-30, at such remuneration as may be mutually agreed upon between the Board, based on the recommendation(s) of the Audit Committee, and the Secretarial Auditors of the Company."

"**RESOLVED FURTHER THAT** the Board and/or any person authorised by the Board, be and is hereby authorised, severally, to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things, as may be considered necessary, desirable and expedient to give effect to this Resolution and/ or otherwise considered by them to be in the best interest of the Company."

8. **Ratification of remuneration payable to Cost Auditor of the Company for the financial year 2025-26.**

To consider and, if thought fit, to pass the following Resolution **as an Ordinary Resolution:**

"**RESOLVED** that pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the remuneration of ₹ 1,10,000 /- (Rupees One Lakh and Ten Thousand only) plus statutory levies and reimbursement of out of pocket expenses payable to the Cost Auditor, M/s. Dhananjay V. Joshi & Associates, Cost Accountants, Pune (Firm Registration No. 000030) for carrying out the audit of the cost records of the Company for the Financial Year 2025-26 ending on March 31, 2026, as recommended by the Audit Committee and approved by the Board of Directors, be and is hereby ratified."

"**RESOLVED FURTHER** that the Board of Directors and / or its delegated authority be and is / are hereby authorized to do all such acts and take all steps as may be deemed necessary, proper or expedient to give effect to the above resolution."

By Order of the Board of Directors
For Gujarat Narmada Valley Fertilizers & Chemicals Limited

Rajesh Pillai
Company Secretary
Membership No.: ACS 27145

Registered Office:
P.O.: Narmadanagar, Dist.: Bharuch: 392 015
CIN: L24110GJ1976PLC002903
Tele No.: (02642) 247001, 247002
Email Id: investor@gnfc.in
Website: www.gnfc.in
Dated: August 12, 2025

NOTES:

1. Pursuant to Ministry of Corporate Affairs (MCA) General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, followed by General Circular Nos. 20/2020 dated May 5, 2020 and subsequent circulars issued in this regard, followed by General Circular Nos. 10/2022 dated December 28, 2022, 09/2023 dated September 25, 2023 and the latest being 09/2024 dated September 19, 2024 (collectively referred to as 'MCA Circulars') has permitted the holding of the AGM through Video Conferencing ('VC') or through Other Audio-Visual Means ('OAVM') till September 30, 2025, without the physical presence of the Members at a common venue.

   Further, the Securities and Exchange Board of India, vide its Circulars dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023, October 7, 2023 and October 03, 2024 ('SEBI Circulars') and other applicable circulars issued in this regard, have provided relaxations from compliance with certain provisions of the SEBI Listing Regulations.

   In compliance with the applicable provisions of the Act, SEBI Listing Regulations and MCA Circulars, the 49th AGM of the Company is being held through VC/OAVM on Tuesday the September 09, 2025, at 03: 00 P.M. (IST). The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company at the Board Room, P.O.: Narmadanagar - 392 015, District: Bharuch.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with KFin Technologies Limited (the Registrar & Transfer Agents (RTA) of the Company for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by KFintech.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on 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 restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

5. The relative Explanatory Statement pursuant to Section 102 of the Act, in respect of the Business under Item No. 4, 5, 6, 7 and 8 set out above is annexed hereto. The information required to be furnished under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015") and Secretarial Standard – 2 on "General Meetings" issued by The Institute of Company Secretaries of India, in respect of persons seeking appointment / re-appointment as Director are also annexed.

6. As per SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 which came into effect from December 13, 2024, the requirement to send proxy forms is not applicable to general meetings held only through electronic mode. As this AGM would be conducted through VC / OAVM, the requirement to provide facility for appointment of Proxy by the Members is not applicable. Hence, the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice. 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.

7. In line with the MCA Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.gnfc.in. The Notice can also be accessed from the websites 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 AGM Notice is also disseminated on the website of CDSL i.e. www.evotingindia.com

8. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 03, 2025 to Tuesday, September 09, 2025 (both days inclusive).

A. ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT:

(i) In compliance with the above mentioned Circulars, the Annual Report 2024-25, the Notice of the 49th AGM, and instructions for e-voting are being sent through electronic mode to those Members whose email addresses are registered with the Company / RTA / Depositories.

(ii) Those members who are holding shares in physical form and have not updated their email ids with the Company, are requested to update the same by submitting a duly filled and signed Form ISR-1 along with the copy of the signed request letter mentioning the name and address of the Member, self-attested copy of the Income-Tax PAN card, and self-attested copy of any document (eg.: Driving License, Election Identity Card, Passport) in support of the address of the Member to the Company's RTA at their address or by email to einward.ris@kfintech.com.

Members holding shares in dematerialized mode are requested to register / update their email addresses with the relevant DPs. In case of any queries / difficulties in registering the e-mail address, Members may also write to investor@gnfc.in.

(iii) Additionally, in accordance with Regulation 36 (1) (b) of the Listing Regulations, the Company is also sending a letter to Members whose e-mail ids are not registered with Company/RTA/DP providing the weblink of the company's website from where the Annual Report for financial year 2024-25 can be accessed.

B. PROCESS FOR OBTAINING PHYSICAL COPY OF ANNUAL REPORT:

(i) As per Listing Regulations, physical copy of the Annual Report is required to be sent only to those Members who specifically request for the same. Accordingly, Members who wish to obtain a physical copy of the Annual Report for the financial year 2024-25, may write to the Company at investor@gnfc.in requesting for the same by providing their holding details.

(ii) The Notice of the 49th AGM along with Annual Report for the financial year 2024-25, is available on the website of the Company at https://www.gnfc.in/statistics-annual-report/ on the website of Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited.

C. INSTRUCTIONS TO SHAREHOLDERS FOR PARTICIPATING IN THE AGM THROUGH VC/OAVM AND FOR E-VOTING:

(i) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI "Listing Regulations"), 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.

(ii) In compliance with the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 (including amendments thereto) and Regulation 44 of the SEBI Listing Regulations, the Company is pleased to provide Members, the facility to exercise their right to vote on resolutions proposed to be considered at the 49th AGM by electronic means through e-voting. The facility of casting the votes by the Members using an electronic voting system for the 49th AGM ("remote e-voting/ e-voting") will be provided by KFin Technologies Limited ("Kfintech").

(iii) The Notice of the 49th AGM and the Annual Report for the year 2024-25 (including therein the Audited Financial Statements for year 2024-25), are being sent only by email to those Members whose email addresses are registered with the Company / Depositories /RTA. Therefore, those Members who have not yet registered their email addresses are requested to get their email addresses registered with their DP or RTA / Company for electronic and Physical Folios respectively, in the manner stated below. Process for registration of email address for obtaining Annual Report (if not received by the Member) and/ or obtaining user ID/password for e-voting and process for updation of bank account mandate for receipt of dividend are stated as hereunder:

Type of Holder	Process to be followed	
	Registering email address	**Updating bank account details**
Physical Holding	Send a written request to the RTA of the Company, KFin Technologies Limited at Selenium Tower B, Plot 31 &32, Financial District, Nanakramguda,Serilingampally Mandal, Hyderabad – 500032, providing Folio Number, name of Member, copy of the share certificate (front and back), Income-Tax PAN (self-attested copy of Income-Tax PAN card), Aadhaar (self-attested copy of Aadhaar card) for registering email address.	Send a written request to the RTA of the Company, KFin Technologies Limited at Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad–500032, providing Folio Number, name of Member, copy of the Share Certificate (front and back), Income-Tax PAN (self-attested copy of Income-Tax PAN card), Aadhaar (self-attested copy of Aadhaar card) and self-attested copy of the cancelled cheque leaf bearing the name of the first holder for updating bank account details. The following additional details / documents need to be provided in case of updating bank account details: • Name and branch of the bank in which you wish to receive the dividend, the bank account type • Bank account number allotted by their banks after implementation of core banking solutions • 9-digit MICR Code Number • 11-digit IFSC
Demat Holding	Please contact your DP and register your email address and bank account details in your demat account, as per the process advised by your DP.	

(iv) It is clarified that for permanent registration of email address, the Members are requested to register their email address, in respect of electronic holdings with the Depository through the concerned DPs and in respect of physical holdings with the Company's RTA, KFin Technologies Limited, Selenium, Tower B, Plot 31 &32, Financial District, Nanakramguda, Serilingampally, Hyderabad-500 032, India, by following due procedure.

(v) Those Members who have already registered their email address are requested to keep their email address validated with their DPs / the Company's RTA- Kfintech, to enable servicing of Notices / documents / Annual Reports and other communications electronically to their email address.

(vi) The e-voting portal will open for voting on Friday, September 05, 2025 at 9:00 a.m. (IST) and shall end on Monday, September 08, 2025 at 5:00 p.m. (IST) (both days inclusive). During this period, the Members of the Company holding shares either in physical form or dematerialized form, as on the cut-off date of Tuesday, September 02, 2025 may cast their vote electronically. The e-voting module will be disabled by Kfintech on Monday, September 08, 2025 at 5:00 p.m. (IST). Once vote on a resolution is cast by the Member, they shall not be allowed to change it subsequently or cast the vote again.

(vii) The Company has appointed Shri J J Gandhi, Practicing Company Secretary (FCS 3519 and CP No. 2515) to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner.

(viii) A Member may participate in the 49th AGM even after exercising his right to vote through remote e-voting, but shall not be allowed to vote again at the meeting.

(ix) The Scrutinizer shall unblock the votes cast through remote e-voting in the presence of at least two witnesses, not in the employment of the Company and shall make, not later than 2 working days of the conclusion of the 49th AGM, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

(x) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.gnfc.in and on the website of Kfintech https://evoting.kfintech.com immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to BSE Limited and the National Stock Exchange of India Limited.

In case a person has become a Member of the Company after dispatch of the Notice but on or before the cut-off date for e-voting i.e. Tuesday, September 02, 2025, they may obtain the User ID and Password in the manner stated above. Institutional/ Corporate shareholders may write to Kfintech at: einward.ris@kfintech.com

INSTRUCTION FOR REMOTE E-VOTING

In case of Physical Shareholders & Non-Individual (Physical / Demat):

If the mobile number of the Member is registered against Folio No. / DP ID Client ID, the Member may send SMS: MYEPWD<space> E-voting Event number + Folio No. (in case of physical shareholders) / DP ID Client ID (in case of Demat shareholders) to 9212993399.

Example for NSDL	MYEPWD <SPACE> IN12345612345678
Example for CDSL	MYEPWD <SPACE> 1402345612345678
Example for Physical	MYEPWD <SPACE> XXX1234567890

(a) If email address or mobile number of the Member is registered against Folio No./ DP ID Client ID, then on the home page of https://evoting.kfintech.com, the Member may click "forgot password" and enter Folio No./ DP ID Client ID and Income-Tax PAN to generate a password.

(b) Member may call Kfintech on toll free number 1800-3094-001 for all e-voting related matters [from 9:00 a.m. (IST) to 6:00 p.m. (IST) on all working day].

(c) Member may send an email request to einward.ris@kfintech.com for all e-voting related matters.

If the Member is already registered with Kfintech's e-voting platform, then they can use their existing User ID and password for casting vote through remote e-voting.

The remote e-voting facility will be available during the following period:

Commencement of remote e-voting	Friday, September 05, 2025 at 9:00 A.M. (IST)
End of remote e-voting	Monday, September 08, 2025 at 5:00 P.M. (IST)

The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled/blocked by Kfintech upon expiry of aforesaid period. Once the vote on a resolution is cast by the Member(s), they shall not be allowed to change it subsequently or cast the vote again.

Login method for e-voting:

As per the SEBI circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 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 DPs. Members are advised to update their mobile number and email address in their demat accounts in order to access e-voting facility.

<table>
<tr><th>NSDL</th><th>CDSL</th></tr>
<tr><td>
1. Users already registered for IDeAS facility:
a) URL: https://eservices.nsdl.com.
b) Click on the “Beneficial Owner” icon under ‘IDeAS’ section.
c) On the new page, enter existing User ID and Password. Post successful authentication, click on “Access to e-voting”.
d) Click on company name or e-voting service provider and you will be re-directed to e-voting service provider website for casting the vote during the remote e-voting period.
2. User not registered for IDeAS e-Services**
a) To register click on link :
https://eservices.nsdl.com (Select “Register Online for IDeAS”) or https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp
b) Proceed with completing the required fields.
**(Post registration completion, follow the process as stated in point no.1 above)
3. First time users can visit the e-voting website directly and follow the process below:
a) URL: https://www.evoting.nsdl.com
b) Click on the icon “Login” which is available under ‘Shareholder / Member’ section.
c) Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
d) Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page.
e) 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.
</td><td>
1. Existing users who have opted for Easi / Easiest
a) URL:
https://web.cdslindia.com/myeasitoken/home/login
or URL: www.cdslindia.com
b) Click on New System Myeasi.
c) Login with user ID and password.
d) Option will be made available to reach e-voting page without any further authentication.
e) Click on e-voting service provider name to cast your vote.
2. User not registered for Easi / Easiest**
a) Option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration
b) Proceed with completing the required fields.
**(Post registration is completed, follow the process as stated in point no.1 above)
3. First time users can visit the e-voting website directly and follow the process below:
a) URL: www.cdslindia.com
b) Provide demat Account Number and Income-Tax PAN No.
c) System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account.
d) After successful authentication, user will be provided links for the respective Electronic Service Provider (ESP) where the e-voting is in progress.
e) Click on company name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period.
</td></tr>
</table>

Individual Shareholders (holding securities in demat mode) login through their DPs:

You can also login using the login credentials of your demat account through your DP registered with NSDL/CDSL for e-voting facility. Once login, you will be able to see e-voting option. Please click on e-voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication. 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.

Important Note:

Members who are unable to retrieve User ID / Password are advised to use “Forgot User ID” / “Forgot Password” options available on the websites of Depositories

Contact details in case of any technical issue on NSDL Website	Contact details in case of any technical issue on CDSL Website
Members facing any technical issue during login can contact NSDL helpdesk by sending a request at **evoting@nsdl.co.in** or contact at **022 - 4886 7000 and 022 - 2499 7000.**	Members facing any technical issue during login can contact CDSL helpdesk by sending a request at **helpdesk.evoting@cdslindia.com** or contact at **contact at 1800 22 55 33.**

Login method for Non-Individual Shareholders and Shareholders holding securities in Physical Form:

Non-individual shareholders and shareholders holding physical shares can directly login through https://evoting.kfintech.com for casting votes during the e-voting period.

Procedure and Instructions for remote e-voting are as under:

1. Initial Password is provided in the body of the email.
2. Launch internet browser and type the URL: https://evoting.kfintech.com in the address bar.
3. Enter the login credentials i.e. User ID and password mentioned in your email. Your Folio No. /DP ID Client ID will be your User ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting your votes.
4. After entering the details appropriately, click on LOGIN.
5. You will reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$,etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
6. You need to login again with the new credentials.
7. On successful login, the system will prompt the Member to select the e-voting Event Number “EVENT” for “GNFC Limited”.
8. On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date Tuesday, September 02, 2025, under “FOR / AGAINST” or alternatively, Member may partially enter any number in “FOR” and partially in “AGAINST” but the total number in “FOR / AGAINST” taken together should not exceed their total shareholding as on the cut-off date. You may also choose the option ‘ABSTAIN’ and the shares held will not be counted under either head.
9. Members holding multiple folios / demat accounts shall choose the voting process separately for each of the folios/demat accounts.
10. Voting must be done for each item of the Notice separately. In case Members do not desire to cast their vote on any specific item, it will be treated as abstained.
11. Members may then cast their vote by selecting an appropriate option and click on “SUBMIT”.
12. A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once a Member confirms, they will not be allowed to modify. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
13. Upon confirmation, the message ‘Vote cast successfully’ will be displayed. Once you have confirmed your vote, you cannot modify your vote.
14. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF/JPG Format) of the Board Resolution/Authority Letter, etc., together with attested specimen signature(s)of the duly authorized representative(s), to the Scrutinizer at jjgandhics@gmail.com with a copy to evoting@kfintech.com. The scanned image of the above mentioned documents should be in the naming format “GNFC Limited_EVENT NO.”
15. Shareholders will be provided with a facility to attend the Meeting through VC/OAVM provided by Kfintech. Shareholders may access the same by https://emeetings.kfintech.com and clicking “Video Conference” and access the Shareholders/Members login by using the remote e-voting credentials. The link for Meeting will be available in Shareholder/Members login where the EVENT and the name of the Company can be selected. Member’s who do not have User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the instructions mentioned in point C(iii).
16. Shareholders are encouraged to join the 49th AGM through Laptops with Google Chrome for better experience. Further shareholders will be required to switch on Camera, if any, and hence use Internet with a good speed to avoid any disturbance during the meeting.
17. 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.

18. System requirements for best VC/OAVM experience:

Instrument	Description
Cell phone	Android 6.0+ Google Chrome28+ Mozilla Firefox 24+ (Chrome doesn't support screen sharing on Android). iOS 12.2+ Mobile Safari/ WebKit (iOS 11+) (Safari Mobile doesn't support screen sharing on iOS)
ioS PC/ Desktop	Google Chrome (Best suggested) Firefox, Safari, Internet Explorer, Edge Microsoft Edge 12+ Google Chrome 28+ Mozilla Firefox, 22+ Safari 11+. Desktop should have outside mic and webcam introduced

19. Voting at AGM held through VC/OAVM

 a) Only those Members/ Shareholders, who will be present in the AGM through VC/OAVM facility and have not casted vote earlier through remote e-voting are eligible to vote through e-voting during the AGM for 15 Minutes after conclusion of AGM.

 b) Members who have voted through remote e-voting will be eligible to attend the AGM.

 c) Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum of AGM under Section 103 of the Companies Act, 2013.

 d) Upon declaration by the Chairperson about the commencement of e-voting at AGM, Members shall click on the "Vote" sign on the left-hand bottom corner of their video screen for voting at the AGM, which will take them to the 'Instapoll' page.

 e) Members to click on the "Instapoll" icon to reach the resolution page and follow the instructions to vote on the resolutions.

 f) The Company has opted to provide the same electronic voting system at the Annual General Meeting, as used during remote e-voting and the said facility shall be operational till all the resolutions proposed in the AGM Notice are considered and voted upon at the Meeting but not exceeding 15 Minutes from the commencement of e-voting as declared by the Chairman at the AGM and can be used for voting only by those Members who hold shares as on the cut-off date viz. Tuesday, September 02, 2025 and who are attending the meeting and who have not already cast their vote(s) through remote e-voting.

20. Speaker Registration during Meeting session:

 a) Members, who would like to express their views or ask questions during the AGM will have to register themselves as a speaker by visiting the URL https://emeetings.kfintech.com and clicking on the tab 'Speaker Registration' and mentioning their registered email id, mobile number and city, during the period starting from Thursday, September 04, 2025 at 10:00 A.M. (IST) and will close on Sunday, September 07, 2025 at 05:00 P.M. (IST). Only those Members who have registered themselves as a speaker will be allowed to express their views/ask questions during the AGM and the maximum time per speaker will be restricted to 3 minutes.

 b) The Company reserves the right to restrict the number of speakers and display of videos uploaded by the Members depending on the availability of time for the AGM. Please note that questions of only those Members will be entertained/ considered who are holding shares of Company as on the cut-off date viz Tuesday, September 02, 2025.

 c) A video guide assisting the Members attending AGM either as a speaker or participant is available for quick reference at URL https://emeetings.kfintech.com/

 d) Members who need technical or other assistance before or during the AGM can contact Kfintech by sending email at emeetings@kfintech.com or Helpline: 1800 309 4001 (toll free). For any other kind of support/assistance related to the AGM, Members can also contact KFin Technologies Limited at 1800 309 4001.

 e) Due to limitations of transmission and coordination during the Q&A session, the Company may dispense with the speaker registration during the AGM.

In case of any queries related to e-voting/ participation in the AGM, you may refer to the Frequently Asked Questions (FAQ's) and e-voting user manual available in the "Downloads" section of https://evoting.kfintech.com/ or contact KFin Technologies Limited at 1800 309 4001 (Toll Free).

D. PROCEDURE FOR INSPECTION OF DOCUMENTS:

All documents referred to in the Notice along with the Statutory Registers maintained by the Company as per the Act will be available for inspection in electronic mode upto the date of the AGM of the Company and will also be available electronically for inspection by the Members during the AGM. Members seeking to inspect such documents can send an email to investor@gnfc.in.

E. DIVIDEND RELATED INFORMATION:

(i) The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Tuesday, September 02, 2025, i.e. cut-off date will be paid the Final Dividend for the financial year ended March 31, 2025, as recommended by the Board, if approved at the AGM, on or after Thursday, September 11, 2025.

(ii) Members holding shares in demat form are hereby informed that bank particulars registered with their respective DPs, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the DPs of the Members. Members holding shares in demat form are requested to intimate any change in their address and/or bank mandate immediately to their DPs.

(iii) Shareholders may note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after April 01, 2020 shall be taxable in the hands of the Shareholders. The Company shall therefore be required to deduct Tax at Source (TDS) at the time of making the final dividend. In order to enable us to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with the provisions of the Income Tax Act, 1961.

a. **For Resident Shareholders**: Tax at source shall be deducted under Section 194 of the Income Tax Act, 1961 at 10% on the amount of dividend declared and paid by the Company during financial year 2025-26, subject to PAN details registered/updated by the Member. If PAN is not registered/updated in the demat account/folio as on the cut-off date, TDS would be deducted @ 20% as per Section 206AA of the Income Tax Act, 1961.

No tax at source is required to be deducted, if during the financial year, the aggregate dividend paid or likely to be paid to an individual/ HUF member does **not exceed ₹ 10,000** (Rupees Ten Thousand Only).

Further, in cases where the shareholder provides Form 15G (applicable to any person other than a Company or a Firm) / Form 15H (applicable to an Individual above the age of 60 years), provided that the eligibility conditions are being met, no TDS shall be deducted.

b. **For Non-Resident Shareholders**: Tax at source shall be deducted under Section 195 of the Income-tax Act, 1961 at the applicable rates. As per the relevant provisions of the Income-tax Act, 1961, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable to non-resident Members. As per Section 90 of the Income Tax Act, 1961, Non- Resident Members may be entitled to avail lower TDS rate as per Double Taxation Avoidance Agreement (DTAA). To avail the Tax Treaty benefits, the non-resident Member will have to provide the following:

- Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the Member is a resident.
- Online filed form 10F
- Self-attested copy of the Permanent Account Number (PAN Card) allotted by the Indian Income Tax authorities, if any.
- Self-declaration, certifying the following points:

  a) Member is and will continue to remain a tax resident of the country of its residence during the financial year 2025-26;

  b) Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;

  c) Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;

  d) Member is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and

  e) Member does not have a taxable presence or a permanent establishment in India during the financial year 2025-26.

(iv) The Company shall not be obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company of the documents submitted by the Non-Resident Member.

(v) Kindly note that the aforementioned documents are required to be submitted at https://ris.kfintech.com/form15/ on or before July 31, 2025, in order to enable the Company to determine and deduct appropriate TDS/withholding tax rate. No communication on the tax determination/deduction shall be entertained after July 31, 2025. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from shareholder, there would still be an option available with you to file the return of income and claim an appropriate refund, if eligible.

(vi) We shall arrange to e-mail the soft copy of TDS certificate to you at your registered e-mail ID in accordance with the provisions of the Income Tax Act 1961 after filing of the quarterly TDS Returns of the Company, post payment of the said Dividend.

(vii) In accordance with the provisions of Section 124 and other applicable provisions, if any, of the Companies Act, 2013 and relevant Rules made there under, the Company has transferred the dividend amount, remaining unclaimed for a period of seven years from the respective date of transfer to 'Unpaid Dividend Account' for the Financial Years 1999-2000 to 2016-17 to Investor Education & Protection Fund (IEPF), set up by the Central Government.

(viii) Shareholders may claim their unclaimed dividend for the years prior to and including the financial year 2016-17 and the corresponding shares, from the IEPF Authority by applying in the prescribed Form No.IEPF-5.

(ix) The unclaimed dividend for the below mentioned years and the corresponding shares will be transferred by the Company to IEPF in accordance with the schedule given below. In this regard, we have informed, vide our Notice published in newspaper dated August 01, 2025, to all those shareholders who have not claimed their unpaid dividend for a consecutive period of seven years from financial year 2017-18, advising them to contact KFintech at einward.ris@kfintech.com and claim their dividend amount before due date of transfer to IEPF Authority. The due date(s) of transfer of shares and dividend to IEPF Authority is given below:

Financial Year	Dividend Identification No.	Date of Declaration of Dividend	Due Date for transfer of shares and dividend to IEPF
2017-18	34th	September 29, 2018	November 03, 2025
2018-19	35th	September 26, 2019	October 31, 2026
2019-20	36th	September 29, 2020	November 03, 2027
2020-21	37th	September 23, 2021	November 28, 2028
2021-22	38th	September 27, 2022	November 01, 2029
2022-23	39th	September 26, 2023	October 31, 2030
2023-24	40th	September 20, 2024	October 25, 2031

F. OTHERS:

1. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2021/655 dated November 3, 2021 (subsequently amended by Circular Nos. SEBI/ HO / MIRSD / MIRSD_RTAMB / P / CIR / 2021 / 687 dated December 14, 2021, SEBI / HO / MIRSD / MIRSD-PoD-1 / P / CIR / 2023 / 37 dated March 16, 2023, SEBI / HO /MIRSD / POD-1 / P / CIR / 2023 / 181 dated November 17, 2023, SEBI / HO / MIRSD / POD-1 / P / CIR / 2024 / 37 dated May 7, 2024 and SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024) has mandated that with effect from April 1, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature.

   Further SEBI vide its Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024, has informed that security holders holding securities in physical form shall be eligible for receipt of any payment including dividend, interest and redemption payment as well as to lodge grievance or avail any service request from the RTA even if "Choice of Nomination" is not submitted by these security holders.

   The forms for updation of PAN, KYC, Bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13 and the said SEBI Circular are available on our website at https://www.gnfc.in/useful-forms/. Members who hold shares in dematerialised form and wish to update their PAN, KYC, Bank details and Nomination, are requested to contact their respective DPs. Attention of the Members holding shares of the Company in physical form is invited to go through and submit the said Forms duly filled and signed by sending a physical copy to M/s. KFin Technologies Limited at Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana, India – 500032.

Further, Members holding shares in physical form are requested to ensure that their PAN is linked to Aadhaar to avoid freezing of their folios. Such frozen folios shall be referred by RTA/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, after December 31, 2025.

2. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 01, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are advised to convert their holdings in demat form.

3. As per the provisions of Section 72 of the Act, the facility for making nomination is available to the 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, if a Member desires to change in nomination, the Member may submit the same Form SH-14, the said forms can be downloaded from the Company's website at https://www.gnfc.in/useful-forms/

4. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTA.M.B/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR–4, the format of which is available on the Company's website under the web link at https://www.gnfc.in/useful-forms/ it may be noted that any service request can be processed only after the folio is KYC compliant. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

5. SEBI pursuant to its Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated July 02, 2025, has opened a special window, for a period of six months from July 07, 2025 till January 06, 2026, 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. Accordingly, such shareholders only, may refer to this Circular available on the website of the Company at https://www.gnfc.in/wp-content/uploads/2025/07/SEBI_Circular_02.07.2025.pdf and get in touch with the RTA "KFin Technologies Limited" or the Company and re-lodge their requests within the said special window. After following the due process, securities shall be issued only in demat mode.

6. As an ongoing endeavor to enhance Investor experience and leverage new technology, our registrar and transfer agents, KFin Technologies Limited have been continuously developing new applications. Here is a list of applications that have been developed for our investors.

   Investor Support Centre: A webpage accessible via any browser enabled system. Investors can use a host of services like Post a Query , Raise a service request , Track the status of their DEMAT and REMAT request, Dividend status, Interest and Redemption status, Upload exemption forms (TDS), Download all ISR and other related forms.
   https://ris.kfintech.com/clientservices/isc/default.aspx

   eSign Facility: Common and simplified norms for processing investor's service requests by RTAs and norms for furnishing PAN, KYC details and Nomination requires that eSign option be provided to Investors for raising service requests. KFIN is the only RTA which has enabled the option and can be accessed via the link below.
   https://ris.kfintech.com/clientservices/isr/isr1.aspx?mode=f3Y5zP9DDNI%3d

   KYC Status: Shareholders can access the KYC status of their folio. The webpage has been created to ensure that shareholders have the requisite information regarding their folios.
   https://ris.kfintech.com/clientservices/isc/kycqry.aspx

   KPRISM: A mobile application as well as a webpage which allows users to access Folio details, Interest and Dividend status, FAQs, ISR Forms and full suite of other investor services.
   https://kprism.kfintech.com/signin.aspx

ANNEXURE TO THE NOTICE

AS REQUIRED BY SECTION 102 OF THE COMPANIES ACT, 2013 AND PURSUANT TO REGULATION 36 (3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATION, 2015 AND SECRETARIAL STANDARD-2 ON GENERAL MEETINGS, THE FOLLOWING EXPLANATORY STATEMENT SET OUT ALL MATERIAL FACTS RELATING TO BUSINESS MENTIONED UNDER ITEM NOS. 4 TO 8 OF THE ACCOMPANYING NOTICE

Item No. 4

Re-appointment of Shri Bhadresh Mehta (DIN: 02625115) as an Independent Non-Executive Director of the Company:

The Shareholders of the Company, at the 46th Annual General Meeting held on September 27, 2022, had approved the appointment of Shri Bhadresh Mehta (DIN: 02625115) as an Independent Non-Executive Director of the Company for his first term, to hold office up to September 26, 2025 ("First Term"), pursuant to the provisions of the Companies Act, 2013 ("the Act"), the Rules framed thereunder, and Schedule IV to the Act.

In accordance with the provisions of Section 149 of the Act, read with Regulation 25(2A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), an Independent Director shall be eligible for re-appointment for a second term upon passing of a Special Resolution by the shareholders of the Company.

Based on the recommendation of the Nomination and Remuneration Committee (NRC) and taking into consideration his performance evaluation, valuable contributions, professional qualifications, rich experience, and strategic guidance provided during his tenure, the Board of Directors have approved the re-appointment of Shri Bhadresh Mehta (DIN: 02625115) as an Independent Non-Executive Director, not liable to retire by rotation, for his second term of three (3) consecutive years, effective from September 27, 2025, to September 26, 2028, subject to the approval of the shareholders by Special Resolution, in compliance with the applicable provisions of the Companies Act, 2013 and Regulation 25(2A) of SEBI Listing Regulations. Given his professional background, expertise, and significant contributions during his first term, the Board is of the opinion that his continued association would be in the best interest of the Company and its shareholders.

Shri Bhadresh Mehta has confirmed that he is not disqualified from being appointed as a Director under Section 164 of the Act, or any other applicable regulations prescribed by SEBI or other statutory authorities. He has consented to act as an Independent Non-Executive Director and has also provided the necessary declaration confirming that he meets the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations.

A notice under Section 160 of the Act has been received from a Member of the Company, proposing his candidature for the office of Director.

In the opinion of the Board, Shri Bhadresh Mehta fulfills the conditions specified under the Act, the Rules framed thereunder, and SEBI Listing Regulations for his appointment as an Independent Director, and is independent of the management of the Company.

Brief details of Shri Bhadresh Mehta viz. qualification, experience, expertise etc. are provided in the "Annexure – I " forming part of this notice pursuant to the provisions of the Listing Regulations and Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India (ICSI).

Presently, Shri Bhadresh Mehta serves as the Chairman of the Audit Committee, and is also a Member of the Corporate Social Responsibility Committee, Nomination and Remuneration Committee, and Risk Management Committee of the Board.

The Board of Directors recommends the resolution set out at Item No. 4 of the accompanying Notice for approval of the shareholders by way of a Special Resolution.

Except Shri Bhadresh Mehta, being an appointee, none of the Directors or Key Managerial Personnel of the Company, nor their relatives, are in any way, financially or otherwise, concerned or interested in the said resolution.

Item No. 5

Appointment of Shri Susanta Kumar Roy (DIN: 07940997), as an Independent Non-Executive Director of the Company:

In terms of the provisions of Section 161(1) of the Companies Act, 2013 ("the Act"), read with Article 144 of the Articles of Association of the Company, and upon recommendation of the Nomination and Remuneration Committee ("NRC"), the Board of Directors of the Company appointed Shri Susanta Kumar Roy (DIN: 07940997) as an Additional Director (Independent Category) with effect from August 06, 2025, to hold office up to the date of the next General Meeting or for a period of three months from the date of appointment, whichever is earlier, pursuant to the provisions of Section 161 of the Act.

The NRC, after evaluating the balance of skills, knowledge, and experience of the existing Board, reviewed the profile of Shri Susanta Kumar Roy and found him suitable for appointment as an Independent Director for a term of three (3) consecutive years from August 06, 2025, to August 05, 2028. Accordingly, the NRC recommended his appointment as an Independent Director, not liable to retire by rotation.

Pursuant to Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Shri Susanta Kumar Roy has submitted a declaration confirming that he meets the criteria of Independence. Further, as per the requirements of Section 164(2) of the Act, he has submitted an intimation confirming that he is not disqualified from being appointed as a Director.

The Company has also received:

1. Consent in writing from Shri Susanta Kumar Roy to act as a Director in Form DIR-2 in accordance with Section 152(5) of the Act read with Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014.
2. Notice in writing from a Member under Section 160(1) of the Act, proposing his candidature for appointment as an Independent Director.
3. Declaration confirming that he is not debarred from holding the office of Director by virtue of any order of the Securities and Exchange Board of India (SEBI) or any other such authority.

Shri Susanta Kumar Roy is a Certified Project Director (Level A - IPMA) professional, possessing over four decades of rich and diverse experience in the management of large-scale Thermal, Hydro, and Renewable Energy (RE) Power Stations in premier Public Sector Undertakings (PSUs) and the Private Sector. His expertise spans Power Station Operations, Construction Management, and implementing best practices in Operations & Maintenance (O&M) and Project Execution.

In terms of Regulation 17(1C) of the Listing Regulations, the appointment of a Director is required to be approved by the Members in the next General Meeting or within a period of three months from the date of appointment, whichever is earlier.

The Board is of the opinion that Shri Susanta Kumar Roy fulfills the conditions specified under Sections 149, 152, 160, and other applicable provisions of the Act, read with the Companies (Appointment and Qualification of Directors) Rules, 2014, and Listing Regulations for appointment as an Independent Director. He is independent of the management and is not related to any Director or Key Managerial Personnel of the Company in terms of Section 2(77) of the Act.

It is proposed to appoint Shri Susanta Kumar Roy as an Independent Non-Executive Director of the Company for a term of three (3) consecutive years commencing from August 06, 2025, to August 05, 2028, not liable to retire by rotation. The said appointment shall be subject to the approval of Members of the Company at the ensuing General Meeting, which may be convened through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") or through Postal Ballot, in compliance with applicable regulatory provisions.

Brief details of Shri Susanta Kumar Roy viz. qualification, experience, expertise etc. are provided in the "Annexure – I " forming part of this notice pursuant to the provisions of the Listing Regulations and Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India (ICSI).

The Board considers that the appointment of Shri Susanta Kumar Roy would bring immense benefit to the Company, considering his vast experience and professional acumen, and recommends the Special Resolution as set out in Item No. 5 of the accompanying Notice for the approval of Members.

Except Shri Susanta Kumar Roy (DIN: 07940997), being an appointee, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, financially or otherwise, in the said Resolution.

Item no. 6:

Appointment of Shri Sanjeev Kumar, IAS (DIN: 03600655) as Director of the Company:

The Board of Directors of the Company, on the recommendation of the Nomination & Remuneration Committee, appointed Shri Sanjeev Kumar, IAS (DIN: 03600655) as an Additional Director with effect from August 11, 2025, pursuant to Section 161(1) of the Companies Act, 2013 ("the Act") read with Article 184 of the Articles of Association of the Company. In terms of the said provisions, he holds office up to the date of this Annual General Meeting ("AGM") and is eligible for appointment as a Director.

The Company has received a Notice under Section 160 of the Act from a Member proposing the candidature of Shri Sanjeev Kumar, IAS (DIN: 03600655) for the office of Director of the Company.

Shri Sanjeev Kumar, IAS (DIN: 03600655) is a 1998 batch Indian Administrative Service (IAS) officer from Gujarat Cadre. He currently serves as the Principal Secretary to the Government of Gujarat, Forests & Environment Department.

Shri Sanjeev Kumar, IAS (DIN: 03600655) is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company. The Company has received a declaration from him that he is not debarred from holding office of a Director by virtue of any order passed by the Securities and Exchange Board of India ("SEBI") or any other such authority. Further, he has submitted all statutory disclosures/declarations prescribed under the Act and SEBI Regulations.

Shri Sanjeev Kumar, IAS (DIN: 03600655) is not related to any of the Directors or Key Managerial Personnel of the Company, in terms of Section 2(77) of the Act.

Brief details of Shri Sanjeev Kumar, IAS viz. qualification, experience, expertise etc. are provided in the "Annexure – I " forming part of this notice pursuant to the provisions of the Listing Regulations and Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India (ICSI).

The Board considers that it would be in the interest of the Company to appoint Shri Sanjeev Kumar, IAS (DIN: 03600655) as Rotational Director on the Board and therefore, recommends the proposed Resolution for your approval by way of an Ordinary Resolution as set out at Item No. 6 of the accompanying Notice.

Except Shri Sanjeev Kumar, IAS (DIN: 03600655), none of the Directors / Key Managerial Personnel of the Company and their relative(s) is / are, in any way, concerned or interested, financially or otherwise, in the said resolution. This Explanatory Statement may also be regarded as disclosure under Regulation 36 (3) of Listing Regulations.

Item No. 7

Appointment of M/s J J Gandhi & Co., Practicing Company Secretaries as a Secretarial Auditor of the Company:

Pursuant to the provisions of Section 204 and other applicable provisions of the Companies Act, 2013 if any, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, every listed company is required to annex with its Board's Report, a Secretarial Audit Report given by a Company Secretary in Practice.

Further, pursuant to Regulation 24A of the SEBI Listing Regulations, as amended vide SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 (Amendment), every listed entity shall undertake Secretarial Audit by a Secretarial Auditor who shall be a Peer Reviewed Company Secretary and the appointment of such Secretarial Auditor shall be approved by the Members of the Company at the Annual General Meeting.

For identification of Secretarial Auditor, the Management had initiated the quality and cost based selection process and assessed them against a defined eligibility and evaluation criteria.

The Management evaluated the background, expertise and past performance of M/s J J Gandhi & Co., as the Secretarial Auditors of the Company. The Management presented the outcome of the assessment to the Audit Committee of the Board.

The Audit Committee considered the findings of the Management and has recommended to the Board, the appointment of M/s J J Gandhi & Co., as the Secretarial Auditors of the Company for a period of five years commencing from FY 2025-26 to FY 2029-30, for conducting secretarial audit of the Company.

The Board, at its meeting held on Wednesday, August 06, 2025, considered the recommendation of the Audit Committee with respect to the appointment of M/s J J Gandhi & Co. as the Secretarial Auditors. After due consideration and review, the Board recommends for approval of the Members the appointment of M/s J J Gandhi & Co. as the Secretarial Auditors of the Company for a period of five years commencing from FY 2025-26 to FY 2029-30, for conducting secretarial audit of the Company.

M/s J J Gandhi & Co. has provided its consent to be appointed as Secretarial Auditors and has confirmed that, appointment if made, will be in accordance with Regulation 24A of the SEBI Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024 and other relevant applicable SEBI Circulars issued in this regard. The proposed remuneration to be paid to M/s J J Gandhi & Co., for each of the FY 2025-26 to FY 2029-30 is ₹ 1.97 lakh plus applicable taxes and inclusive of out-of-pocket expenses. The Audit Committee and the Board is of the view that said fees are reasonable considering the size and scale of GNFC Limited.

None of the Directors or KMP of the Company and their respective relatives is/are concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the accompanying Notice.

Item No. 8

Ratification of remuneration payable to Cost Auditors of the Company for the Financial Year 2025-26:

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to have the audit of its cost records conducted by a Cost Accountant in practice. Further, the remuneration payable to the Cost Auditor as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the Shareholders.

The Board of Directors, on the recommendation of the Audit Committee, in its Meeting held on May 28, 2024 approved the appointment of M/s. Dhananjay V. Joshi & Associates, Cost Accountants, Pune (Firm Registration No. 000030) as the Cost Auditor of the Company to conduct audit of the cost records of the Company for the Financial Year 2025-26, ending on March 31, 2026, at a remuneration of ₹ 1,10,000 /- (Rupees One Lakh and Ten Thousand only) plus statutory levies and reimbursement of out of pocket expenses.

Accordingly, consent of the Shareholders is sought by way of an Ordinary Resolution as set out at Item No. 5 of the accompanying Notice for ratification of the remuneration amounting to ₹ 1,10,000/- (Rupees One Lakh and Ten Thousand only) plus statutory levies and reimbursement of out of pocket expenses payable to the Cost Auditor for the Financial Year ending on March 31, 2026.

None of the Directors or KMP of the Company and their respective relatives is/are concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the accompanying Notice.

By Order of the Board of Directors
For Gujarat Narmada Valley Fertilizers & Chemicals Limited

Rajesh Pillai
Company Secretary
Membership No.: ACS 27145

Registered Office:
P.O.: Narmadanagar, Dist.: Bharuch: 392 015
CIN: L24110GJ1976PLC002903
Tele No.: (02642) 247001, 247002
Email: investor@gnfc.in
Website: www.gnfc.in
Date: August 12, 2025

Annexure - I

ADDITIONAL INFORMATION ON DIRECTORS RECOMMENDED FOR APPOINTMENT / REAPPOINTMENT AS REQUIRED UNDER REGULATION 36 (3) OF THE LODR REGULATIONS AND APPLICABLE SECRETARIAL STANDARDS

Name of Director	Shri S J Haider, IAS	Shri Bhadresh Mehta	Shri Susanta Kumar Roy	Shri Sanjeev Kumar, IAS
DIN	02879522	02625115	07940997	03600655
Age	59	65	65	54
Date of appointment/ change in terms of appointment	20-09-2024	27-09-2022	06-08-2025	12-08-2025
Relationship with Directors	None	None	None	None
Expertise in specific functional area	Shri S.J. Haider, IAS is a member of the Indian Administrative Service (IAS) with over 32 years of experience in administration and governance, He is presently serving as the Additional Chief Secretary to the Government of Gujarat in Energy and Petrochemicals Department. He has earlier served in various capacities such as District Development Officer, Municipal Commissioner and Collector & District Magistrate in various Districts of Gujarat and worked in various Departments like Finance, Transport, Science and Technology, Tourism & Civil Aviation, Rural Development, Education (Higher and Technical Education) and Industries and Mines Department. He also held the additional charge of Additional Chief Secretary, Climate Change Department.	He holds professionally qualified senior managerial experience with a proven success of over 25 years in steering finance, audit and infotech functions of reputed business groups. His areas of specialization are strategic planning, financial management, auditing, information technology and risk management.	Shri Susanta Kumar Roy is having 40 years plus rich and diverse experience in management of large size thermal, Hydro, RE Power Stations in premier PSU i.e. Construction management. Having exposure to International Best Practices in Operation & Maintenance as well as Construction of large Power Plants. Held Senior Leadership role at different capacity in NTPC including NTPC Board Member in Operation & Construction management of Large Power stations of Subcritical & Supercritical Technology. His professional acumen includes key focus areas such as Digitalization, R&M & New Technology implementation. He possess excellent interpersonal & negotiation skills with proficiency in utilizing a process-oriented approach towards the accomplishment of organizational goals.	Shri Sanjeev Kumar, IAS is currently serves as the Principal Secretary to the Government of Gujarat in the Forests & Environment Department. He is a 1998-batch officer of the Indian Administrative Service (IAS) from the Gujarat cadre. With over 27 years of experience in public administration, he has been a key driver in promoting sustainable development across various sectors, including finance, energy, petrochemicals, and environmental governance. He has rich knowledge and wide experience of working in various Government Departments and Public Sector Undertaking. He has served in various capacities in Panchayats, Rural Development, Finance, General Administration (Planning), Commercial Taxes, Energy & Petrochemicals, Forest & Environ-ment, Climate change , Urban Development and Urban Housing Department and

				other de-partments, and listed state PSUs has given him the exposure and in-depth understanding of various sectors and grassroots issues. In the Journey of nearly 25 years as an IAS officer, he has developed a people-centric, growth-oriented approach to governance, focusing on strategic planning and development.
Qualification(s)	He has completed his M.Sc. in Physics with specialization in Electronics.	He is a Chartered Accountant, a Company Secretary and a Cost Accountant by qualification.	Certified Project Director (Level A - IPMA) Professional	He has completed his B.Tech. (Hons.) at IIT Kharagpur and his M.P.A. at the Hubert H. Humphrey School of Public Affairs, University of Minnesota, USA.
Number of Shares held in the Company as on March 31, 2025.	NIL	75 equity shares First holder - Jaina Bhadresh Mehta (wife) Second holder - Bhadresh V. Mehta	NIL	NIL
Directorships held in other Companies*	• Gujarat Narmada Valley Fertilizers & Chemicals Limited • Gujarat State Fertilizers & Chemicals Limited • Gujarat Gas Limited • Gujarat State Petroleum Corporation Limited • Gujarat Power Corporation Limited • Gujarat State Electricity Corporation Limited • Gujarat Energy Transmission Corporation Limited • Gujarat Urja Vikas Nigam Limited • Gujarat Alkalies and Chemicals Limited (w.e.f. May 16, 2025)	• Gujarat Narmada Valley Fertilizers & Chemicals Limited. • Gujarat State Petronet Limited. • Gujarat Gas Limited. • Gujarat State Financial Services Limited. • Gujarat State Investments Limited. • Prozeal Green Energy Limited	• Gujarat Industries Power Company Limited	• Gujarat State Fertilizers & Chemicals Limited. • Gujarat State Forest Development Corporation Limited.

Directorship in other Companies along with listed entities from which the person has resigned in the past three years*	• PM Mitra Park Gujarat Limited • Gujarat Foundation for Entrepreneurial Excellence • Dahej SEZ Limited • Gujarat Rail Infrastructure Development Corporation Limited • Gandhinagar Railway and Urban Development Corporation Limited • Gujarat Mineral Development Corporation Limited • Dholera Industrial City Development Limited • Gujarat Student Startup & Innovation HUB	NIL	NIL	• Gujarat Fibre Grid Network Limited • Urban Ring Development Corporation Limited • Gujarat Urban Development Company Limited • Gujarat International Finance Tec-City Company Limited • Gujarat Town Planning Consultancy Limited • Gujarat State Petroleum Corporation Limited • Petronet LNG Limited • GSPC Pipavav Power Company Limited • Gujarat State Energy Generation Limited • Sabarmati Gas Limited • Gujarat State Petronet Limited • Gujarat Gas Limited • GSPL India Gasnet Limited • GSPL India Transco Limited • GSPC LNG Limited
Chairman/ Member of the Committee of Directors of other Companies in which she / he is a Director as on 31st March, 2025**	• Gujarat Gas Limited Member- Stakeholders Relationship Committee • Gujarat Narmada Valley Fertilizers & Chemicals Limited Member- Stakeholders Relationship Committee	• Gujarat Narmada Valley Fertilizers & Chemicals Limited. Chairman- Audit Committee • Gujarat State Petronet Limited. Member - Audit Committee • Gujarat Gas Limited. Member - Audit Committee Chairman- Stakeholders' Relationship Committee	NIL	NIL

		• Gujarat State Financial Services Limited. Member - Audit Committee • Gujarat State Investment Limited Member - Audit Committee • Prozeal Green Energy Limited Chairman- Audit Committee		
Key Terms and Conditions for appointment	As per resolution at Item no. 3 of this Notice	As per resolution at Item no. 4 of this Notice	As per resolution at Item no. 5 of this Notice	As per resolution at Item no. 6 of this Notice
Remuneration proposed to be paid	Remuneration of Non-Executive Directors (NEDs) is decided by the Board. NEIDs are paid remuneration by way of sitting fees only for attending the Board or Committees meeting(s).	Remuneration of Non-Executive Directors (NEDs) is decided by the Board. NEIDs are paid remuneration by way of sitting fees only for attending the Board or Committees meeting(s).	Remuneration of Non-Executive Directors (NEDs) is decided by the Board. NEIDs are paid remuneration by way of sitting fees only for attending the Board or Committees meeting(s).	Remuneration of Non-Executive Directors (NEDs) is decided by the Board. NEIDs are paid remuneration by way of sitting fees only for attending the Board or Committees meeting(s).
Last drawn remuneration	NIL	Please refer Corporate Governance Report	NA	NA
Skills and capabilities required for role & manner in which Director meets such requirements	NA	Please refer explanatory statement for Item No. 4 forming part of this Notice.	Please refer explanatory statement for Item No. 5 forming part of this Notice.	Please refer explanatory statement for Item No. 6 forming part of this Notice.
Number of Board Meetings attended during the year 2024-25	2 of 3	4 of 4	NA	NA

*As per disclosures received from Directors.

**Committee Membership includes only Audit Committee and Stakeholders' Relationship Committee of Public Limited Company (whether listed or not).

DIRECTORS' REPORT

To,
The Members,

The Board of Directors hereby present their Forty Ninth (49th) Annual Report on the performance of the Company together with Audited Financial Statements (Standalone and Consolidated) for the Financial Year (FY) ended on March 31, 2025.

FINANCIAL RESULTS

During the year under review, the Company achieved remarkable performance on operational and financial fronts. The Company established total Sixty Eight (68) new records during the FY 2024-25, out of which Forty Three (43) records were established in production and Twenty Five (25) for sale / dispatch.

Financial Highlights on Standalone basis are summarized as follows:

(₹ in crore)

Particulars		2024-25	2023-24
Income from operations		**7,892**	7,930
Other Income		**501**	469
Total Income		**8,393**	8,399
Total Expenditure (Excluding Depreciation and Finance Cost)		**(7,277)**	(7,427)
Profit before Depreciation, Finance Cost and Tax		**1,116**	972
Depreciation		**(303)**	(308)
Finance Cost		**(23)**	(13)
Profit Before Tax		**790**	651
Tax Expense		**(205)**	(166)
Net Profit for the year	**A**	**585**	485
Re-measurement (loss) on defined employee benefit plans (Net of tax)	**B**	**(15)**	(4)
Balance brought forward from previous year	**C**	**4,135**	5,115
Amount available for Appropriation	**A+B+C**	**4,705**	5,596
Appropriations :			
Dividend paid		**(242)**	(466)
Transferred to General Reserve		**(250)**	(500)
Buy-back of equity shares		**-**	(331)
Tax on buy-back of equity shares		**-**	(150)
Expenses for buy-back of equity shares		**-**	(5)
Transfer to capital redemption reserve		**-**	(9)
Surplus carried to Balance Sheet		**4,213**	4,135

DIVIDEND

Keeping in view the Company's performance for the FY 2024-25, long term growth strategy and to ensure that the Shareholders get sustained return on their investments, your Directors have recommended a Dividend of ₹ 18/- per share (@180%) on 14,69,40,683 Equity Shares of ₹ 10/- each fully paid up, subject to approval of Shareholders at the Annual General Meeting. The Dividend payout works out to be ₹ 264.49 Crores. This amounts to 45% of the Net Profit of the Company for the FY 2024-25.

PERFORMANCE OVERVIEW AND STATE OF THE COMPANY'S AFFAIRS

1. Operational Performance:

The Company has achieved remarkable production performance during the FY 2024-25. Day to day plant operations were closely reviewed and optimized to maximize profit.

During the year, several Plants achieved over 100% capacity utilization level. Ammonia (7,04,219 MTs i.e. 158.07%), Urea (8,79,334 MTs i.e. 138.07%), M.F (44,201 MTs i.e. 193.87%), Formic Acid (33,450 MTs i.e. 169.62%), Acetic Acid (1,65,668 MTs i.e. 165.67%), WNA-I (3,16,139 MTs i.e. 127.73%), WNA-II (1,26,665 MTs i.e. 126.67%), ANP (1,74,855 MTs i.e. 122.71%), Nitrobenzene (58,137 MTs i.e 123.04%), Aniline (36,587 MT i.e. 104.54%), TDI-I, Bharuch (19,253 MTs i.e. 137.52%), EA (67,837 MTs i.e. 135.67%) and were among the plants that excelled in capacity utilization.

During the year, strategic optimization of various plant operations and product mix had been done keeping in line with price of raw materials so as to achieve cost reduction in all aspects.

TDI-II Dahej Plant was operated for 208 on-stream days with capacity utilization of 59.70%. The production levels were lower than expected due to several factors like three power failures & planned shutdown of 54 days which was got extended to 125 days. Unforeseen failure of TAR concentrator reboiler, secondary reboiler pump & suction line leakage of purification reboiler pump, replacement of vent & caustic scrubber catch tank and suction line of secondary reboiler pump resulted in delays of the planned shutdown activities. The start-up got delayed due to various operational issues.

2. Financial Performance:

During FY 24-25 Revenue from Operation is lower as compared to FY 23-24 mainly due to prolonged maintenance shutdown of TDI - Dahej plant. Revenue is further affected by sales realisation in most of chemical products. Lower revenue is offset by higher volume in most of the products at Bharuch complex since there was annual planned maintenance shutdown at Bharuch during FY 23-24 resulting into lower volume in most of the products in that period.

There is a better financial performance on the back of operating performance where PBT improved by 21% for the full year. The improved results are attributable to improved volumes apart from lower feed and fuel prices helping margin improvement. At Dahej complex, the shutdown period impacted the sales volume.

In case of fertilizers, the positive support of GoI in announcing supportive NBS rates has helped improve the fertilizer segment results apart from reduction in input costs and fixed costs.

The Board of Directors at its meeting held on May 23, 2025 has recommended dividend of ₹ 18/- per share (i.e. 180%).

SALES

1. Industrial Products:

The Indian Chemical industry seems positioned as a relatively resilient, high-growth market garnering domestic as well as the global demand. Despite dropping industry margins and the impact of macroeconomic pressures, revenue growth remains encouraging. GNFC's products have better resonance due to their application and use in different end use sectors. Hence, several industrial products of GNFC outperformed against the previous year viz. Technical Grade Urea, Acetic Acid, AN Melt, Formic Acid, Concentrated Nitric Acid (CNA), Aniline and Methanol. Milestone was created by achieving highest ever annual sales for some of our main products like TGU, Methyl formate and Formic Acid in FY 2024-25. Technical Grade Urea, TDI & AN Melt made 20%, 19% & 15% share of the industrial products turnover respectively in the FY 2024-25.

2. Fertilizers Business:

During the FY 2024-25, your Company has achieved total sales of 6.42 Lakh Metric Tonnes of Urea which was 0.03 Lakh MT higher than previous year (i.e. 6.38 Lakh Metric Tonnes). Sales of Nitrophosphate (20-20-0) stood at 1.74 Lakh Metric Tonnes, 0.15 Lakh MT lower to 1.89 Lakh Metric Tonnes in the FY 2023-24. Nitrophosphate was produced on the basis of product priority in terms of viability. During the FY 2024-25, the Company retailed 52,671 MT Urea and 8,279 MT ANP through Narmada Khedut Sahay Kendras (NKSKs).

During the year, Trading Activities were also continued in Muriate of Potash (MoP), Di-Ammonium Phosphate (DAP), Ammonium Sulphate (AS), Single Super Phosphate (SSP), Fermented Organic Manure (FOM) and City Compost. A total quantity of 24,778 Metric Tonnes of Fertilizers were sold during the FY 2024-25 against 34,068 Metric Tonnes sold in 2023-24. The reduction in quantum was mainly due to non-availability of DAP for trading during FY 2024-25. Besides, GNFC sold non-bulk agri inputs worth ₹ 119.25 Lakh through Narmada Khedut Sahay Kendras (NKSKs).

3. (n)Code Solutions – IT Division:

During FY 2024-25, (n)Code Solutions – IT Division continued to deliver a broad spectrum of IT services, including Digital Signature Certificates (DSC), PKI solutions, e-Procurement and system integration solutions. The Division recorded a total income of ₹ 80 Crores, reflecting a ~44% decline from ₹ 143 Crores in the previous year. This was primarily due to the non-execution of planned business particularly in e-Governance vertical and delay in launch of the e-Sign business owing to pending UIDAI licensing. Profit before Tax (PBT) stood at ₹ 17 Crores, reflecting a decline of ~62% from ₹ 45 Crores in previous year. This was due to lower revenues while fixed costs remained constant.

Major achievements included continued execution of the e-Passport project for the Government of India and i-Khedut 2.0 portal for the Directorate of Agriculture, Government of Gujarat. The Division successfully delivered the Public Address & IP-CCTV project at Smritivan Memorial, Bhuj, for GSDMA, and received a follow-up order from the Directorate of Geology and Mining, Maharashtra, to upgrade ILMS to ILMS 2.0—highlighting enduring client trust. The VTMS module under this project was successfully launched under the 100-day CM Program in April 2025.

We also introduced an enterprise (non-PKI) version of our e-Procurement platform and on-boarded initial set of clients. Going forward, the Division is focused on expanding its presence across India and strengthening its footprint in Government and enterprise segment, while continuing to drive digital transformation through advanced and scalable software solutions.

For more details on the Company's operational, sales and financial performance, please refer to Management Discussion & Analysis (MDA).

MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion & Analysis, as required in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), forms part of this Annual Report.

FERTILIZERS INDUSTRY – GOVERNMENT POLICY

Government Policies in respect of fertilizers have remained same during the FY 2024-25. Reasonability of MRPs in fertilizer governed through Nutrient Based Subsidy Policy is continued.

The DoF's initiatives viz. PM-PRANAM-Programme for Restoration, Awareness Generation, Nourishment, and Amelioration of Mother-Earth (for soil health improvement, promoting organic manures and reducing chemical fertilizers) and NAMO DRONE DIDI (bringing technological advancements/improvements in agriculture through women empowerment) have gained momentum during 2024-25. Besides, initiatives like ONOF- One Nation One Fertilizers, PMKSK-Pradhan Mantri Kisan Samriddhhi Kendra are being strengthened.

Nutrient Based Subsidy (NBS) was announced on six monthly bases during 2024-25. For GNFC's Nitrophosphate the NBS Subsidy was ₹ 15,148 per Metric Tonne in first half and ₹ 14,764 per Metric Tonne during second half of the year.

On-Going Projects / New Projects/ Revamp Schemes

Your Company is continuously looking for the growth opportunities and has initiated actions for implementation of various projects / revamp schemes as follows:

1. 04 MW Solar Power Plant Project:

To fulfil Renewable Purchase Obligation & for the captive use, GNFC is in the process of implementing 04 (Four) MW Solar Power Project at Charanka Solar Park. Project is commissioned in June 2024 and wheeling of power started to Dahej Complex. Operational Acceptance Test (OAT) is completed and desired results are obtained.

2. Ammonia Plant revamp:

At present, Company is producing about 1,950 MTPD Ammonia from both fuel oil and natural gas route after installation of S-300 revamp. It is planned to increase the Ammonia production capacity from 1,950 MTPD to 2,100 MTPD by installation of Ammonia Make-up Gas Convertor Loop [AMUGL], in existing Ammonia Synthesis Loop (ASL). The Project will also increase the reliability of existing ASL.

This will increase Ammonia production by 50,000 MT per annum. Agreement has been signed with M/s. Topsoe, Denmark, the Technology Licensor for the providing Basic Engineering Package (BEP) & supply of propitiatory equipment & commissioning assistance.

Project shall be executed on EPC basis and is likely to be completed by Second quarter of the FY 2027-28.

3. Coal based Captive Co-Generation Power Plant (CCPP) at Dahej:

The Company has set up 100 MT/Hr. capacity gas based Boiler at TDI – II Dahej Complex to meet captive steam requirement, while power is being sourced from DGVCL Grid. There is large variation in gas prices.

The Board of Directors has already approved the implementation of coal based Captive Generation Power Plant (CCPP) Project having a capacity to produce 18 MW Power and 150 MT/ Hr. Steam in October 2022, in order to reduce cost of steam and power and to improve reliability of TDI-II Dahej Plant. LSTK Contract has been awarded to M/s. Thyssenkrupp Industries India Private Limited in October 2022.

Activities of Engineering, Procurement & Construction is going in full swing & Power Project is expected to be completed by September 2025.

4. Weak Nitric Acid-III (WNA-III)

The Board of Directors has already approved the implementation of WNA-III Plant having a capacity with capacity of 600 MTPD in August 2024.

LEPC Contract has been awarded to M/s. Thyssenkrupp UHDE India Pvt. Ltd. (tkUIPL) in Sep 2024.

Activities of Engineering, Procurement & Construction is going in full swing & Power Project is expected to be completed by June 2027.

5. Ammonium Nitrate-II (AN-II) Projects:

Your Company is planning to expand its capacity of AN considering the future market growth. NITs for AN-II with capacity of 480 MTPD have been floated. The offers for the same are under technical evaluation stage and the investment approval is expected in near future.

CREDIT RATING

Your Company's financial discipline and prudence is reflected in the strong credit ratings ascribed by rating agencies. The details of credit rating are disclosed in the Corporate Governance Report, which forms part of this Annual Report.

APPROPRIATIONS

Your Company has registered a Net Profit of ₹ 585.52 Crores for the FY 2024-25. After deducting therefrom ₹ 15.08 Crores, being the re-measurement loss on defined employee benefit plans and, adding thereto ₹ 4,134.96 Crores, being the balance of Statement of Profit & Loss brought forward from previous year, an amount of ₹ 4,705.40 Crores is available for appropriation. Out of this ₹ 242.45 Crores is appropriated towards payment of dividend for the FY 2023-24 and ₹ 250 Crores is transferred to General Reserve. The balance amount of ₹ 4,212.95 Crores is proposed to be carried to Balance Sheet.

TRANSFER TO RESERVES

The Board of Directors has decided to transfer ₹ 300 Crores of profits of FY 2024-25 to General Reserve.

FIXED DEPOSITS

The Company has not invited or accepted any fixed deposits during the year.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In compliance with the provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted a Corporate Social Responsibility (CSR) Committee and formulated a CSR Policy. As a responsible corporate, the Company undertakes various societal initiatives directly and through its dedicated CSR arm Narmadanagar Rural Development Society (NARDES), focusing on priority areas outlined in the CSR Policy and Schedule VII of the Act.

The Company's CSR Policy is accessible on its official website at: https://www.gnfc.in/wp-content/uploads/2021/04/CSR-Policy-Revised_17-05-2021.PDF

As per the provisions of Section 135 of the Companies Act, 2013 (as amended), the statutory amount (i.e. 2% of the average net profits of the last three Financial Years) that was required to be spent by the Company for various CSR activities / projects during the FY 2024-25 was ₹ 32.64 Crores. The Company had actually spent ₹ 9.22 Crores, towards various CSR Activities/Projects during the FY 2024-25 and transferred ₹ 23.42 Crores to Unspent CSR Account of FY 2024-25 as per Section 135(6) of the Companies Act, 2013 (as amended). During the FY 2024-25, no amount (being excess spending of previous FY) was available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Further, pursuant to Rule 12 of the Companies (Accounts) Rules, 2014, the Company has duly filed Form CSR-2 for FY 2023–24 on December 12, 2024.

The Annual Report on CSR activities, as required under Rule 9 of the Companies (Accounts) Rules, 2014, read with Rule 8 of the Companies (CSR Policy) Rules, 2014, is enclosed as **Annexure – A** to this Report.

BUSINESS REPONSIBILITY AND SUSTAINABILITY REPORT

Business Responsibility and Sustainability Report (BRSR) is based on Environment, Social and Governance (ESG) norms and Sustainable Development Goals. Your Company has strived to actualize the principles of responsible business conduct in letter and spirit and is conducting its business in a manner that creates shared values for all Stakeholders whilst aiming to achieve the best targets on ESG fronts.

The BRSR is appended as **Annexure – B** forming part of this Report.

PARTICULARS OF CONTRACT OR ARRANGEMENT MADE WITH RELATED PARTY (IES)

The Policy for Related Party Transactions (RPTs) deals with review and approval of RPTs and the same is available on the Company's Website at web link https://www.gnfc.in/wp-content/uploads/2025/02/Related-Party-Transactions-Policy.pdf.

The Audit Committee has granted omnibus approval for RPTs, which are routine and repetitive in nature, based on the criteria approved by the Board of Directors within the overall framework of the said Policy. All RPTs under the omnibus approval are placed before the Audit Committee periodically for its review and approval.

The Company has not entered into any contract or arrangement with related parties, as referred to in Section 188(1) of the Companies Act, 2013 (as amended) during the FY 2024-25. Accordingly, the disclosure of RPTs in Form AOC-2, as required under Section 134(3)(h) of the Companies Act, 2013 (as amended), is not applicable to your Company. Details of Related Party as per Ind AS-24 is given in Note No. 37 to the Standalone Financial Statements.

Requisite details on RPTs have also been furnished in the 'Report on Corporate Governance' forming part of this Report.

RISK MANAGEMENT

The Company has in place Risk Management Policy (RMP). Under this Policy, various risks pertaining to Operations & Maintenance of the Plants, financial and other organizational risks are assessed, evaluated and continuously monitored for taking effective steps for its mitigation.

In compliance with Regulation 21 of the SEBI Listing (Amendment) Regulations, 2018, the Board of Directors has constituted a Risk Management Committee (RMC) defining its Terms of Reference (ToR). The details as to the constitution of RMC and its major ToR included in the "Report on Corporate Governance" are forming part of this Report.

The Risk Management Report, inter-alia, containing major anxiety areas of risks and action plans for its mitigation and noteworthy risk management activities carried out by the Company is put up before the Meetings of the Audit Committee, RMC and the Board of Directors, from time to time, for its / their review.

VIGIL MECHANISM-CUM-WHISTLE BLOWER POLICY

The Company has formulated a "Vigil Mechanism-cum-Whistle Blower Policy" for its Directors and Employees to report their genuine concerns, details of which have been furnished in the "Report on Corporate Governance", forming part of this Report.

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

Requisite details are furnished in below table:

Details of the complaints:

No. of Complaints received during the financial year.	0
No. of Complaints disposed of during the financial year.	0
No. of cases pending for more than Ninety (90) days.	0

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company has not made any investment in other bodies corporate or given any Loan or Guarantee or provided any Security in connection with loan to any other body corporate or person during the FY 2024-25.

CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to Section 129(3) of the Companies Act, 2013 (as amended), read with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended (SEBI Listing Regulations), the Company has prepared Consolidated Financial Statements in respect of Associate Company viz. Gujarat Green Revolution Company Limited (GGRCL) for the FY 2024-25 and forms part of this Annual Report.

DETAILS OF SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES

The Company has an Associate Company viz. Gujarat Green Revolution Company Limited (GGRCL). The Statements containing salient features of Financial Statements are given in Form AOC-1 as Annexure to the Consolidated Financial Statements and the same have not been repeated here for the sake of brevity.

INTERNAL FINANCIAL CONTROLS SYSTEM

The Company has adequate internal financial control system which commensurate with the nature of business, size and complexity of its operations. Details of internal control system and its adequacy are furnished in “Management Discussion & Analysis Report” forming part of this Report.

DIRECTORS’ RESPONSIBILITY STATEMENT

Pursuant to the provisions of Sections 134(3)(c) read with 134(5) of the Companies Act, 2013 (as amended), your Directors confirm that–

(i) in the preparation of Annual Accounts for the financial year ended March 31, 2025, the applicable Accounting Standards had 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 end of the financial year on March 31, 2025 and of the profit of the Company for that period;

(iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 (as amended) for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, if any;

(iv) the directors had prepared Annual Accounts on a going concern basis;

(v) 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) 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.

REPORT ON CORPORATE GOVERNANCE

The Report on Corporate Governance together with the following are attached herewith and form part of this Annual Report:

- Declaration by Managing Director regarding compliance of the Company’s Code of Conduct by the Board Members and Senior Management Personnel;
- Certificate by Practicing Company Secretary certifying:

(i) compliance of the conditions of Corporate Governance by the Company; and

(ii) that none of the Directors of the Company 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 Statutory Authority.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Chairman of the Company

- Shri Raj Kumar, IAS ceased to be the Director and Chairman of the Company consequent upon superannuation from Service of Government of Gujarat w.e.f. January 31, 2025.
- Consequently, Shri Pankaj Joshi, IAS was nominated and appointed as a Director and Chairman of the Company w.e.f. February 06, 2025 by the Government of Gujarat vide its Letter No: MIS/11-2016/1765/E.

Change in Key Managerial Personnel of the Company

1. **Managing Director:**
   - Shri Pankaj Joshi, IAS ceased to be the Managing Director of the Company with effect from February 05, 2025, pursuant to Government of Gujarat Order No. AIS/45.2025/0776/G dated February 03, 2025.
   - Dr. T. Natarajan, IAS was appointed as the Managing Director of the Company with effect from February 05, 2025, pursuant to the same Government of Gujarat Order.
2. **Company Secretary & Compliance Officer:**
   - Shri A. C. Shah ceased to be the Company Secretary and Compliance Officer of the Company upon conclusion of his contract, with effect from May 31, 2024.
   - Ms. Chetna Dharajiya was appointed as the Company Secretary and Compliance Officer of the Company with effect from June 01, 2024, and ceased to hold the said position upon her resignation dated March 26, 2025.
   - Presently, Shri Rajesh Pillai, a qualified Company Secretary, has been appointed as the Company Secretary and Compliance Officer of the Company with effect from May 23, 2025.

Retirement of Director(s) by Rotation

In terms of Section 152 of the Companies Act, 2013 (as amended), Shri S. J. Haider, IAS will retire by rotation at this AGM and being eligible, offers himself for re-appointment.

Declaration by Independent Directors

In terms of Section 149(7) of the Companies Act, 2013 (as amended) and the SEBI Listing Regulations, the Company has received necessary declarations for the FY 2024-25, from all Independent Directors, to the effect that they meet with the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 (as amended) and Regulation 16(1)(b) of the SEBI Listing Regulations, as amended.

Change in Directorate

The information relating to change in Directorate during the year is furnished in the 'Report on Corporate Governance' forming part of this Report.

Your Directors place on record their deep sense of appreciation for the valuable services rendered by the outgoing Director(s) and take this opportunity to welcome the incoming Director(s).

PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Company has carried out annual performance evaluation of the Board, its Committees and Individual Directors in line with the provisions of the Companies Act, 2013 (as amended) and the SEBI Listing Regulations, as amended.

REMUNERATION POLICY FOR DIRECTORS / KEY MANAGERIAL PERSONNEL / SENIOR MANAGEMENT AND OTHER EMPLOYEES

The Company has formulated a Nomination, Remuneration & Evaluation Policy as required under Section 178 of the Companies Act, 2013 (as amended) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same is available on the Company's website at web link https://www.gnfc.in/wp-content/uploads/2025/02/NRC_Policy.pdf The details of remuneration paid to Directors / Key Managerial Personnel / Senior Management and other employees are furnished in the Report on Corporate Governance, forming part of this Report.

INFORMATION REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

As required under Section 134(3)(m) of the Companies Act, 2013 (as amended) read with Rule 8(3) of the Companies (Accounts) Rules, 2014, requisite information on conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is furnished in the enclosed **Annexure – C** forming part of this Report.

PARTICULARS OF EMPLOYEES AND REMUNERATION

There were 1,997 permanent employees of the Company as of March 31, 2025. The disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Companies Act, 2013 (as amended) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (the 'Rules') have been appended as **Annexure – D**, forming part of this Report. Details of employee remuneration as required under the provisions of Section 197 of the Companies Act, 2013 (as amended) and Rules 5(2) and 5(3) of the Rules are available to any Shareholder for inspection on request. If any shareholder is interested in obtaining a copy thereof, such shareholder may write to the Company Secretary, where upon a copy would be sent through email only.

AUDITORS

Statutory Auditor

Pursuant to the provisions of Section 139 and other applicable provisions of the Companies Act, 2013 (as amended) and relevant Rules made there under, the Shareholders of the Company had at their 45th AGM held on September 23, 2021 appointed M/s. Suresh Surana & Associates LLP, Mumbai, Chartered Accountants, a member firm of RSM International as Statutory Auditors of the Company for a term of five (5) consecutive years, until conclusion of the forthcoming 50th AGM to be held in the year 2026, on such remuneration as may be determined by the Board of Directors, based on the recommendation of the Audit Committee plus certification fees, applicable taxes and reasonable out of pocket expenses actually incurred by them during the course of Audit.

Notes to Financial Statements (Standalone and Consolidated) forming part of Audited Financial Statements for FY 2024-25 are self-explanatory and need no further explanation. The Auditors' Reports on Audited Financial Statements (Standalone and Consolidated) does not contain any Modified Opinions.

Cost Auditor

As per Section 148 of the Companies Act, 2013 (as amended) read with the Companies (Cost Records and Audit) Rules, 2014 (as amended), the Company is required to prepare, maintain as well as have the audit of its cost records conducted by a Cost Accountant and accordingly, it has made and maintained such cost accounts and records. The Board of Directors, on the recommendation of the Audit Committee, has appointed M/s. Dhananjay V. Joshi & Associates, Cost Accountants, Pune (Firm Registration No: 000030) as the Cost Auditor of the Company for the FY 2025-26 at a remuneration of ₹ 1,10,000/- (Rupees One Lakh and Ten Thousand only) p.a. plus out of pocket expenses and statutory levies.

M/s. Dhananjay V. Joshi & Associates, have confirmed that they are free from disqualification specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) of the Act and that the appointment meets the requirements of the Act. They have further confirmed their independent status and an arm's length relationship with the Company.

The remuneration payable to the Cost Auditor is required to be placed before the Shareholders in General Meeting for ratification. Accordingly, a resolution seeking Shareholders' ratification for the remuneration payable to M/s. Dhananjay V. Joshi & Associates, forms part of the Notice of 49th AGM, forming part of this Annual Report.

Secretarial Auditor

In pursuance of Section 204 of the Act and the Rules made thereunder, the Board of Directors, in its meeting held on August 13, 2024 had appointed CS J. J. Gandhi, Practicing Company Secretary of J. J. Gandhi & Co., Vadodara, as Secretarial Auditor for the FY 2024-25. The Secretarial Audit Report in Form MR-3 in respect of Secretarial Audit work carried out by him for the FY 2024-25 is enclosed at **Annexure – E**, forming part of this Report. The said Report does not contain any qualification, reservation or adverse remark.

DIVIDEND DISTRIBUTION POLICY

As per Regulation 43A of the SEBI Listing Regulations, Dividend Distribution Policy of the Company inter-alia, set-out the various parameters and circumstances that are to be taken into account while determining the distribution of Dividend to the Shareholders and / or retaining profits by the Company. The said Policy is enclosed at **Annexure – F**, forming part of this Report and the same is also available on the Company's website at web link https://www.gnfc.in/wp-content/uploads/2024/08/2-Dividend-Distribution-Policy.pdf

DETAILS OF FRAUDS, IF ANY, REPORTED BY THE AUDITORS

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported any instance of fraud committed in the Company by its officers or employees to the Audit Committee under Section 143(12) of the Act, details of which need to be mentioned in this Report.

GENERAL DISCLOSURES

MEETINGS OF THE BOARD AND COMMITTEES THEREOF:

(i) Board Meeting:

Four (4) meetings of the Board of Directors were held during the year.

(ii) Committees of the Board:

Presently, there are Five (5) statutory Committees of the Board:

1. Audit Committee (AC);
2. Stakeholders' Relationship Committee (SRC);
3. Nomination and Remuneration Committee (NRC);
4. Corporate Social Responsibility (CSR) Committee;
5. Risk Management Committee (RMC);

Details of composition of the Board and its Committees, which are mandatorily required to be constituted, major Terms of Reference of these Committees, Meetings held during the year and attendance of Directors at such Meetings are furnished in the 'Report on Corporate Governance' forming part of this Report.

All the recommendations made by the Audit Committee were accepted by the Board.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013 (as amended), read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), as amended, all unpaid or unclaimed dividends which were required to be transferred by the Company to the IEPF were transferred to IEPF Authority. The Company has also transferred 1,61,904 shares held by 2,552 Shareholders in respect of which dividend amount remained unpaid / unclaimed for a consecutive period of seven years or more to IEPF Authority within stipulated time.

The details of unpaid / unclaimed dividend and the shares transferred to IEPF Authority are available on the Company's website at web link – https://www.gnfc.in/about-us/share-holders/information-regarding-transfer-of-shares-to-iepf-authority/

SIGNIFICANT AND MATERIAL ORDERS

There are no significant or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FY 2024-25

During FY 2024-25, there was no application made and no proceeding was pending against the company, under the Insolvency and Bankruptcy Code, 2016.

DETAILS OF ONE-TIME SETTLEMENT WITH BANKS/FINANCIAL INSTITUTIONS

The Company didn't make one time settlement with banks/financial institutions during the financial year.

DISCLOSURE ON COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI), New Delhi and approved by the Central Government.

DISCLOSURE OF MATERNITY BENEFIT COMPLIANCE

Your Company is in compliance of Maternity Benefit Act, 1961 for the year under review.

INSURANCE

The properties, insurable assets and interest of the Company such as Buildings, Plant & Machinery and Stocks, amongst others, are adequately insured. As required under the Public Liability Insurance Act, 1991, the Company has also taken necessary insurance cover.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3) (a) of the Companies Act, 2013 (as amended), the Draft Annual Return in Form MGT-7 as on March 31, 2025 is available on the Company's website at https://www.gnfc.in/statistics-annual-report/#1661838618831-f3392cb8-b234

INDUSTRIAL RELATIONS

The Industrial Relations within the Company remained cordial and harmonious throughout the year. It has helped the Company to achieve satisfactory performance on Operational and Financial fronts and in achieving targets.

Your Directors place on record their sincere appreciation for the dedicated and committed contributions made by all employees at all levels for the sustainable growth of the Company.

ACKNOWLEDGEMENTS

The Board of Directors wish to place on record their deep sense of gratitude for the kind support and guidance received from the Government of India and the Government of Gujarat. Your Directors also take this opportunity of extending their wholehearted thanks to all our Consumers, Dealers, Customers, Banks, Business Associates, SEBI, NSDL, CDSL, Stock Exchanges and other Agencies for their continued support and co-operation and valued Investors for strengthening their bond with the Company.

For and on behalf of the Board of Directors

Shri Pankaj Joshi, IAS
Chairman
DIN: 01532892

Place : Gandhinagar
Date : August 06, 2025

Annexure - A

Annual Report on CSR Activities for FY 2024-25

(Pursuant to Section 135 of the Companies Act, 2013 read with Rule 9 of Companies (Accounts) Rules, 2014 and Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. Brief outline on CSR Policy of the Company:

Gujarat Narmada Valley Fertilizers & Chemicals Limited (GNFC) is committed to upholding the highest standards of Corporate Social Responsibility (CSR). The Company aligns its CSR philosophy with its core values of contributing to sustainable development and enhancing the quality of life of the communities it serves.

GNFC firmly believes in creating a positive impact on the environment and fostering inclusive growth in the regions where it operates. The Company's CSR initiatives are focused on long-term value creation, sustainability of programmes, and empowerment of communities through need-based and participatory development.

The Company has framed its CSR Policy in accordance with the provisions of the Companies Act, 2013 and the Companies (CSR Policy) Rules, 2014, as amended from time to time. The Policy provides a framework for identifying and implementing projects in areas such as education, healthcare, rural development, skill development, sanitation, environmental protection, and disaster management. The detailed CSR Policy is available on the Company's website at: https://www.gnfc.in/wp-content/uploads/2021/04/CSR-Policy-Revised_17-05-2021.PDF

2. Composition of CSR 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	Smt. Gauri Kumar, IAS (Retd.)	Chairperson	03	03
2	Prof. Ranjan Kumar Ghosh	Member	03	03
3	Shri Bhadresh Mehta	Member	03	03
4	Dr. N. Ravichandran	Member	03	03
5	Prof. Piyushkumar Sinha [i]	Member	02	02
6	Shri Pankaj Joshi, IAS [ii]	Member	02	02
7	Dr. T. Natarajan, IAS [iii]	Member	01	01

i. Prof. Piyushkumar Sinha – Member of the committee from 10-11-2022 to 07-03-2025.
ii. Shri Pankaj Joshi, IAS – Member of the committee from 16-07-2020 to 05-02-2025.
iii. Dr. T. Natarajan, IAS – Member of the committee with effect from 05-02-2025.

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company.

A. Composition of the CSR Committee is available on the Company's website at: https://www.gnfc.in/wp-content/uploads/2025/08/Committee-List-as-on-06-08-2025.pdf

B. The CSR Policy is available on the Company's website at: https://www.gnfc.in/wp-content/uploads/2021/04/CSR-Policy-Revised_17-05-2021.PDF

C. The details of various CSR projects and activities approved by the Board of Directors of the Company for the financial year 2024-25 are available on the Company's website at: https://www.gnfc.in/wp-content/uploads/2024/11/Annual-Action-Plan-FY-2024-25.pdf

4. Provide 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, if applicable.

Not Applicable

However, the Company will be undertaking comprehensive impact assessments of its strategic CSR programmes in the financial year 2025–26. Upon completion, the impact assessment reports will be disclosed as per the applicable statutory requirements.

5.

A	Average net profit of the Company as per sub-section (5) of section 135.	₹ 1,63,209.51 lakh
B	Two percent of average net profit of the Company as per sub-section (5) of section 135.	₹ 3,264.19 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.	NIL
E	Total CSR obligation for the financial year [(b) + (c)-(d)].	₹ 3,264.19 lakh

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) **- ₹ 892.70 lakh**

(b) Amount spent in Administrative overheads - **₹ 30 lakh**

(c) Amount spent on Impact Assessment, if applicable- **0**

(d) Total amount spent for the Financial Year [(a) + (b) + (c)] **- ₹ 922.70 lakh**

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

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (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 (in ₹)	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 922.70 lakh	₹ 2341.87 lakh	28.04.2025	NA	Nil	NA

The total expenditure on CSR activities during the Financial Year 2024-25 amounted to ₹ 1375.40 lakhs comprising ₹ 922.70 lakhs spent against the CSR obligation for FY 2024-25 and ₹ 452.70 lakhs from the unspent CSR amount of FY 2023-24.

(f) Excess amount for set off, if any- **Nil**

Sr. No.	Particular	Amount (in ₹)
(1)	**(2)**	**(3)**
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	₹ 3,264.19 lakh
(ii)	Total amount spent for the Financial Year	₹ 922.70 lakh
(iii)	Excess amount spent for the financial year [(ii)-(i)]	—-
(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)]	—-

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

1	2	3	4	5	6		7	8
Sr. No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (₹ in Lakh)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (₹ in Lakh)	Amount Spent in the Financial Year (₹ in Lakh)	Amount transferred to a fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		Amount remaining to be spent in succeeding financial year (₹ in Lakh)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1	2021-22	-	-	-	-	-	-	Nil
2	2022-23	-	-	-	-	-	-	Nil
3	2023-24	1153.00	700.30	452.70	-	-	700.30	Nil

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No**

If yes, enter the number of Capital assets created / acquired

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

Sr. No	Short particulars of the property asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity / Authority / beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered Address

(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 section 135(5)- **Not Applicable**

Dr. T. Natarajan, IAS
DIN: 00396367
(Managing Director)

Smt. Gauri Kumar, IAS, (Retd.)
DIN: 01585999
(Chairperson - CSR Committee)

ABSTRACT for CSR ANNUAL REPORT FY 2024-25

Anchored in the ethos of service and guided by the principles of equity and empowerment, this year's journey stands as a testament to our collective resolve to drive meaningful transformation across the rural heartlands of Gujarat. The interventions reflecting its deep commitment to inclusive, community-led development.

In alignment with the Sustainable Development Goals (SDGs) and India's long-term developmental vision, GNFC's CSR initiatives continued to focus on key areas such as education, healthcare, skill development, livelihood enhancement, and women empowerment. All interventions were designed to improve the quality of life of marginalized communities and strengthen Human Development Index (HDI) outcomes.

Our approach this year was rooted in promoting access, equity, and capacity building. Special emphasis was placed on enhancing service delivery mechanisms, creating enabling learning environments, promoting health and nutritional well-being, and supporting economic self-reliance. The focus remained on designing need-based, scalable, and sustainable solutions through community engagement and institutional partnerships.

Capacity-building and empowerment were central to all efforts, equipping individuals and institutions with the tools and resources necessary to become self-reliant. Technology-enabled models and innovative delivery mechanisms were integrated to improve outreach, efficiency, and impact on the ground.

To ensure transparency and outcome orientation, GNFC has initiated the process for an independent impact assessment of CSR activities spanning the past three financial years. The assessment aims to generate actionable insights to enlighten future program design and strengthen monitoring and evaluation systems.

Through its holistic and integrated approach, GNFC continues to be a catalyst for positive change-bridging gaps, enabling opportunities, and nurturing aspirations.

Together with our partners and stakeholders, we reaffirm our commitment to building stronger, more resilient communities and contributing meaningfully to the journey of nation-building.

ANNEXURE – B

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING

SECTION A : GENERAL DISCLOSURES

I. Details of the listed entity

Sr. No.	Required Information	
1.	Corporate Identity Number (CIN) of the Listed Entity	L24110GJ1976PLC002903
2.	Name of the Listed Entity	Gujarat Narmada Valley Fertilizers & Chemicals Limited
3.	Year of incorporation	1976
4.	Registered office address	P.O.: Narmadanagar - 392015, District: Bharuch, Gujarat
5.	Corporate address	P.O.: Narmadanagar - 392015, District: Bharuch, Gujarat
6.	E-mail	investor@gnfc.in
7.	Telephone	(02642) 247001, 247002
8.	Website	http://www.gnfc.in/
9.	Financial year for which reporting is being done	April 1, 2024 - March 31, 2025
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited and BSE Limited
11.	Paid-up Capital	Equity Share Capital of 146.94 Crore.
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Rajesh Pillai Company Secretary 02642-203405 sustainability@gnfc.in
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).	Disclosures under this report are made on Standalone Basis
14.	Name of Assurance Provider	Not Applicable as per SEBI's criteria
15.	Type of Assurance obtained	Not Applicable

II. Products / Services

16. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Chemical segments	GNFC has established a core setup for chemicals and Petrochemicals Plants such as Methanol, Formic Acid, Acetic Acid, Toluene Di- Isocyanate (TDI), Technical Grade Urea (TGU), Weak Nitric Acid, Concentrated Nitric Acid, Ethyl Acetate, Aniline and Ammonium Nitrate. GNFC is the only producer of Acetic Acid and Formic Acid in India and has the largest single-stream Aniline plant in India. It is the only manufacturer of Toluene Di–Isocyanate (TDI) in Southeast Asia and the Indian Sub-Continent.	62%

2	Fertilizers segment	This segment began with the establishment of one of the largest single-stream Ammonia Urea Plants. It includes the manufacturing of Urea and Ammonium Nitro phosphate, which was being marketed under the brand 'Narmada' till Dec 2022. Thereafter these are being marketed under brand 'Bharat' as mandated by GoI under "One Nation One Fertilizer" (ONOF) Initiative-under Pradhanmantri Bhartiya Janurvarak Pariyojna (PMBJP) subsidy scheme.	37%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product / Service	NIC Code	% of total Turnover contributed
1	Ammonium Nitro Phosphate	24121	98%
2	Neem Coated Urea	24123	
3	Acetic Acid	24115	
4	AN Melt	20123	
5	Aniline	24121	
6	Concentrated Nitric Acid	24121	
7	Weak Nitric Acid	24121	
8	Ethyl Acetate	24115	
9	Formic Acid	24116	
10	Methanol	24116	
11	Toluene Di-Isocynate (TDI)	24121	
12	Technical Grade Urea (TGU)	20121	

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	2	5	7
International	-	-	-

19. Market Served by the entity:

a.	Number of locations	
	Locations	**Number**
	National (No. of States)	27
	International (No. of Countries)	86
b.	What is the contribution of exports as a percentage of the total turnover of the entity?	0.46%

c.	A brief on type of customers	The Company operates through two key business segments: the Fertilizer Segment and the Industrial Products Segment.The Fertilizer Segment caters to a diverse customer base, including federations, agro-industries, cooperatives, private dealers, and individual farmers, thereby contributing to the agricultural value chain and supporting rural livelihoods. The Industrial Products Segment follows a business-to-business (B2B) model, serving a wide spectrum of customers such as micro, small and medium enterprises (MSMEs), large industrial entities, government agencies, public sector undertakings (PSUs), and small-scale manufacturing units. This segment supports industrial growth through the supply of essential inputs and raw materials.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	EMPLOYEES					
1	Permanent (D)	2004	1943	97%	61	3%
2	Other than Permanent (E)	391	358	92%	33	8%
3	Total employees (D+E)	2395	2301	96%	94	4%
	WORKERS					
4	Permanent (F)	-	-	-	-	-
5	Other than Permanent (G)	2499	2372	95%	127	5%
6	Total workers (F+G)	2499	2372	95%	127	5%

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	DIFFERENTLY ABLED EMPLOYEES					
1	Permanent (D)	8	7	88%	1	13%
2	Other than Permanent (E)	1	1	100%	0	0%
3	Total differently abled employees (D+E)	9	8	89%	1	11%
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	0	0	0	0	0
6.	Total differently abled workers (F+G)	0	0	0	0	0

21. Participation/Inclusion/Representation of women:			
Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	9	1	11%
Key Management Personnel	1*	0	0%

* KMPs - Other than MD. The Company Secretary resigned from the Company on 26th March 2025.

22. Turnover rate for permanent employees and workers:									
	FY 2024-25 (Turnover rate in current FY)			FY 2023-24 (Turnover rate in previous FY)			FY 2022-23 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	0.77%	0.00%	0.77%	1.00%	0.04%	1.04%	0.56%	0%	0.56%
Permanent Workers	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Name of holding / subsidiary / associate companies / joint ventures:				
Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ JointVenture	% 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	Gujarat Green Revolution Company Limited	Associate Company	46.87%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) Yes	
(ii) Turnover (in ₹)	₹ 7,892 Crores
(iii) Net worth (in ₹)	₹ 8,452 Crores

VII. Transparency and Disclosure Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:							
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)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes. A mechanism is in place to interact with community leaders to understand and address their concerns, if any.	Nil	Nil	Nil	Nil	Nil	Nil

Investors (other than-shareholders)	Yes. A mechanism is in place to identify, understand, and address any concerns that may arise.	Nil	Nil	Nil	Nil	Nil	Nil
Shareholders	Yes. Shareholders can register their grievances on SCORES Portal at https://scores.sebi.gov.in/ and on ODR Portal at https://smartodr.in/	91	NIL	NIL	74	0	-
Employees and workers	Yes. https://www.gnfc.in/code-of-conducts-policies/	Nil	Nil	Nil	Nil	Nil	Nil
Customers	Yes. A mechanism is in place to identify, understand, and address any concerns that may arise.	Nil	Nil	Nil	Nil	Nil	Nil
Value Chain Partners	Yes.	Nil	Nil	Nil	Nil	Nil	Nil
Other (Coming from Ex-employees, anonymous sources)	Yes. A mechanism is in place to identify, understand, and address any concerns that may arise.	Nil	Nil	Nil	Nil	Nil	Nil

Note: The number of complaints reported under shareholders primarily consists of queries or information requests, rather than actual grievances.

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

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Reducing Carbon footprint by using renewable energy	Opportunity	GNFC is actively increasing the share of renewable energy and reducing reliance on fossil fuels, significantly contributing to carbon footprint reduction. This transition not only lowers operational costs but also enhances the Company's reputation for sustainable practices.	-	Positive. Transitioning to renewable energy reduces long-term energy costs and enhances investor confidence.

2	Climate Change	Risk	The Company faces potential environmental risks from climate change, such as water scarcity and extreme weather events, which could impact business continuity and long-term operational stability.	GNFC is progressively enhancing the use of renewable energy across its operations. Approximately 42% of the plant premises is covered by a developed green belt, including a dedicated Oxygen Park. The Company has two Designated Consumers (DCs) under the PAT Scheme, where various energy conservation initiatives are implemented. Strategic measures are in place to mitigate any potential disruptions to business operations.	Negative. Climate change impacts may lead to operational disruptions and increased costs for mitigation infrastructure.
3	Water Consumption	Risk	As a manufacturer of fertilizers and chemicals, GNFC's operations are water-intensive and reliant on freshwater resources. The Company may face challenges such as water scarcity due to extreme weather events and over-dependence on local water sources, which could impact operational continuity.	GNFC has installed 55 groundwater recharge wells within its green belt to replenish groundwater during the monsoon season. Additionally, a concrete reservoir has been constructed for water storage. The Company has also set a target to reduce water consumption in the coming year.	Negative. Increased water scarcity could raise operational costs due to dependency on alternative water sources.
4	Waste management	Risk	Waste generation presents regulatory compliance risks and contributes to higher operating costs. As a chemical and fertilizer manufacturer, GNFC's operations produce hazardous waste that poses potential environmental risks.	GNFC ensures proper management of hazardous waste generated from its operations by collecting and storing it at designated hazardous waste storage areas. Waste management is carried out in compliance with the Consolidated Consent & Authorization (CC&A) issued by the Gujarat Pollution Control Board (GPCB) and in accordance with the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, as amended.	Negative. Non-compliance or inefficiencies in waste management can lead to regulatory fines and increased disposal costs.

5	Occupational Health & Safety	Risk	The Company's operations involve inherent health and safety risks, potentially exposing employees and workers to various occupational hazards.	GNFC has implemented a robust and effective Occupational Health and Safety Management System to prevent workplace accidents. The Company continuously enhances this system to minimize or eliminate operational risks. For further details, please refer to Principle 3.	Negative. Workplace accidents or safety breaches can lead to compensation liabilities and insurance premium hikes.
6	Protection of employment & labour rights	Risk	The Company may be exposed to reputational risks in the event of reportable instances of unethical labour practices, which could also result in fines and penalties from regulatory authorities.	GNFC has developed comprehensive policies and procedures to support the well-being of its employees and workers. The Company has implemented an efficient grievance mechanism, providing a fair platform for addressing employee and worker concerns and ensuring timely resolution. Additionally, GNFC has introduced an online Suggestion Scheme, enabling employees to identify areas for improvement within the organization. The industrial relations cell also serves as a dedicated forum for workers to raise grievances through the Union. GNFC fully complies with all applicable statutory requirements related to employment and labor rights.	Negative. Violations of labour rights can result in legal penalties and reputational loss affecting stakeholder trust.
7	Human rights	Risk	Instances of human rights violations can lead to fines and penalties, potentially causing significant reputational damage to the Company.	GNFC has established and implemented robust mechanisms to prevent human rights violations. The Company has developed corporate-level policies, including the Whistle-blower Policy, POSH Policy, and Business Responsibility Policy, which provide guidance for enforcing stringent vigilance mechanisms to protect human rights.	Negative. Human rights violations may incur regulatory penalties and damage the Company's brand image.

8	Compliance management	Risk	Non-compliance with statutory requirements can result in fines and penalties and may also lead to reputational risk.	GNFC has system inplace to address regulatory compliances.	Negative. Failure to comply with statutory regulations could result in fines, legal expenses, and reputational damage.
9	Business ethics	Risk	Unethical business practices can pose a significant reputational risk to the company.	GNFC has developed and implemented the Whistle Blower Policy, POSH Policy, and Code of Conduct to ensure adherence to business ethics.	Negative. Unethical practices may lead to loss of business partnerships, fines, and loss of stakeholder confidence.
10	Talent attraction, Training and development	Opportunity	To remain competitive in the market and ensure sustained growth and productivity, GNFC must attract top talent, continuously develop the skills of its employees and workers, and foster a high level of employee engagement.	-	Positive. Investing in talent development enhances workforce productivity and reduces employee turnover costs.
11	Customer Retention	Opportunity	Effective customer retention helps GNFC reduce the costs associated with acquiring new customers, while simultaneously strengthening its relationship capital and fostering positive word-of-mouth publicity.	-	Positive. High customer retention improves revenue stability and reduces the cost of customer acquisition.

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			P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes											
1.	a.	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b.	Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c.	Web Link of the Policies, if available	All Policies can be accessed at : https://www.gnfc.in/code-of-conducts-policies/								
2.	Whether the entity has translated the policy into procedures. (Yes / No)		Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Do the enlisted policies extend to your value chain partners? (Yes/ No)		Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.		GNFC is certified with ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and ISO 50001:2018								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any		Kindly refer to the note 1								
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.		Kindly refer to the note 1								

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)	As a responsible corporate citizen, GNFC has embedded Environmental, Social, and Governance (ESG) principles into the core of its business strategy. We acknowledge both global and local environmental challenges and are firmly committed to fostering sustainable growth while preserving ecological integrity. Demonstrating our commitment to climate resilience and biodiversity, GNFC has implemented several greening initiatives at its Bharuch facility. A key highlight includes the plantation of over 1.02 lakh trees across 2.2 hectares using the Miyawaki afforestation technique, incorporating 92 diverse plant species. This dense plantation model enhances carbon sequestration and promotes local biodiversity. Additionally, we have established "Namo Vad Van," featuring 110 mature banyan trees, and "Oxygen Park," a 12-hectare green zone housing approximately 24,000 trees across 36 species—both serving as vital ecological assets to improve air quality and promote environmental balance. Recognizing the importance of water conservation, we have a total of 55 recharge wells to harvest rainwater and support groundwater replenishment, reinforcing our broader resource sustainability objectives. While we take pride in the progress made, we are mindful of the ongoing challenge of harmonizing industrial development with environmental stewardship. To address this, we continue to invest in cleaner technologies, pursue innovation, and strengthen our ESG governance framework.

		GNFC's ESG strategy is aligned with global best practices, emphasizing transparency, inclusivity, and sustainable value creation. This Business Responsibility and Sustainability Report reflects our belief that true progress lies in integrating environmental care, social commitment, and ethical governance into every aspect of business to secure a resilient and responsible future.
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	The Managing Director under the strategic guidance of the Board of Directors and its Committees, ensures effective execution of the Company's policies, business plans, and sustainability initiatives in alignment with corporate governance standards.
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.	The Company has constituted a "Risk Management Committee" of Directors to provide strategic oversight and guidance. This Committee plays a pivotal role in ensuring that considerations related to health, safety, and sustainability are effectively integrated into the Company's key business strategies and decision-making processes. Through proactive risk identification and management, the Committee supports the Company's long-term resilience and responsible growth.

Members of Risk Management Committee	Designation	DIN
Prof. Ranjan Kumar Ghosh	Chairman of the Committee, Independent Director	08551618
Smt. Gauri Kumar, IAS (Retd.)	Independent Director	01585999
Shri Bhadresh Mehta	Independent Director	02625115
Dr. N. Ravichandran	Independent Director	02065298
Dr. T. Natarajan, IAS	Managing Director	00396367
Shri D. V. Parikh	ED & CFO	07653680

10. Details of Review of NGRBCs by the Company:

Subject of Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	GNFC's Business Responsibility Policies are reviewed periodically or as needed by the Senior Management Team. These reviews assess the effectiveness of the policies, and any required updates or enhancements to the policies and procedures are implemented accordingly.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	GNFC is in compliance with the existing Regulations. Statutory Compliance Certificate on applicable laws is provided by the Company Secretary to the Board of Directors.																	

	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	GNFC undertakes periodic internal reviews of its Charters and Policies through the Senior Management Team and relevant Board Committees. These reviews guide the formulation and implementation of policies, projects, and performance objectives related to 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**
a.	The entity does not consider the Principles material to its business (Yes/No)	Not Applicable. GNFC has formulated Policies in accordance with nine NGRBC Principles. Kindly refer to the explanation of Question 1, Section B of this report.								
b.	The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
c.	The entity does not have the financial or/ human and technical resources available for the task (Yes/No)									
d.	It is planned to be done in the next financial year (Yes/No)									
e.	Any other reason (please specify)									

Note 1 : Gujarat Narmada Valley Fertilizers & Chemicals Limited (GNFC) has set the following commitments aligned with the ESG (Environmental, Social, and Governance) principles for the upcoming financial year:

Principles	**Commitments/Goals**
Principle 1	• Enhance awareness on quality, environment, safety, health, and energy-related issues through regular in-house and external training programs.
Principle 2	• Foster mutually beneficial supplier relationships by developing new vendors.
Principle 3	• Strengthen awareness on quality, environment, safety, health and energy aspects via comprehensive training initiatives.
	• Improve safety and health performance by reducing the number of accidents within Company premises.
	• Minimize fire incidents through enhanced safety protocols.
	• Reduce incidents of chemical leakage and toxic gas release to safeguard workplace health and safety.
Principle 4	• Engage with stakeholders periodically to build and reinforce their confidence and trust in the Company's operations.
Principle 5	• Uphold and promote human rights by fostering a safe, secure, and healthy work environment for all employees.
Principle 6	• Expand green belt development by planting additional trees within GNFC premises.
	• Strive to reduce lube oil consumption compared to the reporting financial year's usage.
	• Work towards lowering total water consumption in the upcoming year vis-à-vis the total water usage of FY 2024–25.
	• Achieve a reduction in specific power consumption in production processes relative to FY 2024–25.
	• Decrease total lighting energy consumption as compared to FY 2024–25.
Principle 7	• Ensure responsible and transparent participation in public and regulatory policy initiatives.
Principle 8	• Increase local procurement to drive sustainable development and empower local communities.
Principle 9	• Strive to achieve zero customer complaints related to product quality and packaging across all product lines.

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:

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	1	During the year, the Board of Directors of the Company has invested time on various matters relating to an array of issues pertaining to the business, regulations, economy and environmental, social, governance parameters.	100
Key Managerial Personnel	1	Training on Prevention of Sexual Harassment (POSH), Code of Conduct for the Executives in Senior Management, Code of Conduct for prevention of insider trading in securities of the Company, Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information.	100
Employees	106	Environment, Safety, Energy Saving, Occupational Health, Management Development, POSH, Motivational, Skill development related Programs.	89.75
Workers	98	Safety training for contract workers carried out across plant locations covers all relevant workplace safety and general safety topics.	56

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):

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	NIL				NIL
Settlement	NIL				NIL
Compounding fee	NIL				NIL

Non-Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies / judicial institutions	Brief of the Case	Has an appeal been preferred ? (Yes/ No)
Imprisonment	NIL			NIL
Punishment	NIL			NIL

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:

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable. GNFC has not received any form of fine/ penalties/ punishment/ award/ compounding fees against any of the NGRBC Principles for the reporting period.	

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:

Yes, GNFC has established and implemented a comprehensive Business Responsibility Policy that incorporates strong anti-corruption and anti-bribery principles. This policy is applicable across all business operations and is grounded in the core values of ethics, transparency, and accountability. GNFC is committed to adhering to all relevant laws, regulations, and ethical standards, and maintains a zero-tolerance stance toward abusive, corrupt, or anti-competitive practices.

To support this commitment, GNFC has also implemented a Whistleblower Policy and Vigil Mechanism, providing stakeholders with a formal channel to report concerns related to unethical conduct, suspected fraud, or violations of the Code of Conduct and company policies.

The Business Responsibility Policy is accessible at:

https://www.gnfc.in/wp-content/uploads/2021/04/GNFC-BR-Policy2017.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	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:

	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:

Not Applicable.

GNFC has not received any form of fine/ penalties / punishment / award/ compounding fees against any of the NGRBC Principles for this reporting period. Hence, no such corrective actions are being 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.

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 payables	28.16	30.08

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	26%	25%
	b. Number of trading houses where purchases are made from	608	443
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	90%	92%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales*	67%	54.86%
	b. Number of dealers / distributors to whom sales are made*	505	33
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors*	68%	45%**
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0.0726%	0.1494%
	b. Sales (Sales to related parties / Total Sales)	NIL	NIL
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	NIL	NIL
	d. Investments(Investments in related parties / Total Investments made)	NIL	NIL
*For FY 2023–24, the number of dealers accounted for included only the Industrial Product Segment. For FY 2024–25, the figure includes both the Industrial Product and Fertilizer Segments. **The figure has been revised based on a review of the previous year's data.			

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:
Yes, every Director of the Company discloses his/her concern or interest in the Company or companies or bodies corporate or firms or other association of individuals and any change therein, annually or upon any change, which also includes the shareholding. Further, a declaration is also taken annually from the Directors under the Code of Conduct confirming that they will always act in the interest of the Company and ensure that any other business or personal association which they may have, does not involve any conflict of interest with the operations of the Company and their role therein. The Senior Management also affirms annually that they have not entered any material, financial and commercial transactions, which may have a potential conflict with the interest of the Company at large. In the Meetings of the Board, the Directors abstain from participating in the items in which they are concerned or interested. For identifying and tracking conflict of interests involving the Directors / KMPs of the Company, a database of the Directors and the entities in which they are interested is shared with the Finance department which flags off the parties in their system for monitoring and tracking transaction(s) entered by the Company with such parties.

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:

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)	Details of improvement in environmental & social impacts
R&D	100%	100%	Process improvements, purchase of instruments for R&D.
Capex	3.73%	NIL	

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)
Yes, GNFC has established and implemented a comprehensive Supplier Code of Conduct. This Code is applicable to all suppliers, vendors, service providers, traders, agents, contractors, and consultants engaged in business with GNFC, including those providing or seeking to provide goods or services. Suppliers are mandated to comply with all applicable legal and regulatory requirements, and are evaluated based on defined environmental and social criteria. To engage with GNFC, suppliers must register through the Company's 'Vendor Registration Portal'. Both the Supplier Code of Conduct and the registration portal are available on GNFC's official website at the following path: Website Path: www.gnfc.in → Quick Links → Supplier Code of Conduct / Vendor Registration Direct Link: https://www.gnfc.in/information-technology/vendor-registration/

2. b. If yes, what percentage of inputs were sourced sustainably?
100%

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)	GNFC complies with the Extended Producer Responsibility (EPR) guidelines formulated by the Central Pollution Control Board (CPCB) and is duly registered as both a Brand Owner and an Importer under the Plastic Waste Management Rules 2016 as amended. The Company ensures that all rigid and flexible plastic waste generated is responsibly managed and routed to CPCB/ SPCB-registered plastic waste recyclers for proper disposal and recycling.
(b)	E-waste	E-waste generated by GNFC is responsibly disposed of through CPCB/SPCB-registered recyclers and dismantlers, in compliance with E-Waste Management Rules-2022 as amended.

(c)	Hazardous waste	1. Landfillable hazardous waste is disposed of through GPCB-authorized Common Treatment, Storage, and Disposal Facilities (TSDFs). 2. Incinerable hazardous waste is disposed of through GPCB-authorized common incineration facilities or through captive incineration units. 3. Recyclable hazardous waste is sent to CPCB/SPCB-approved recyclers for safe and compliant processing. 4. Co-processable hazardous waste is supplied to authorized cement industries, where it is utilized as an alternative fuel, supporting waste-to-energy initiatives.
(d)	Other waste	Other waste generated is being disposed of as per the prevailing environment rules.

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, Extended Producer Responsibility (EPR) is applicable under the Plastic Waste Management Rules, 2016 (as amended). GNFC complies with its EPR targets by procuring certificates from registered plastic waste processor, in accordance with regulatory requirements.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No) If yes, provide the web-link
NIL					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
NIL		

3. 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)
	The input raw materials cannot be recycled or reused.	

4. 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:

	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)	0	14.50	18.09	0	0	143.90

E-waste	0	27.93	0.00	0	19.47	0.00
Hazardous waste	7791.50	3679.08	8330.72	8832.17	5466.77	9753.60
Other waste	0	770.48	0.30	0.00	3051.41	0.36

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
The Company's product portfolio includes fertilizers and industrial chemicals, which are not reclaimable. However, GNFC procure EPR credit through CPCB/SPCB registered plastic waste re-processor for the equivalent quantity of plastic packaging under Categories 1 and 2 sent to market by GNFC Which is 4016 MTPA for FY 2024-25.	

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:

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	1943	1943	100%	1943	100%	-	-	-	-	1943	100%
Female	61	61	100%	61	100%	61	100%	-	-	61	100%
Total	2004	2004	100%	2004	100%	61	100%	-	-	2004	100%
Other than Permanent employees											
Male	358	358	100%	358	100%	-	-	-	-	358	100%
Female	33	33	100%	33	100%	33	100%	-	-	33	100%
Total	391	391	100%	391	100%	33	100%	-	-	391	100%

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	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0
Other than Permanent Workers											
Male	2372	2372	100%	2372	100%	0	0	0	0	0	0
Female	127	127	100%	127	100%	127	100%	0	0	0	0
Total	2499	2499	100%	2499	100%	127	5%	0	0	0	0

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	0.33%	0.31%

2. Details of retirement benefits, for Current FY and Previous Financial Year:

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%	-	Y	100%	-	Y
Gratuity	100%	-	Y	100%	-	Y
ESI	-	-	-	-	-	-
Others - Please specify	-	-	-	-	-	-

Note: The data for FY 2022-23 has been restated based on revised procedure adopted by the Company during FY 2023-24.

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.	Yes, the office and plant premises are accessible to differently abled employees and workers, in compliance with the provisions 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:

Yes, GNFC is firmly committed to providing equal opportunities to all employees and maintains a zero-tolerance policy against discrimination based on race, caste, religion, color, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic origin, disability, or any other legally protected category.Equal opportunity is an integral part of GNFC's Business Responsibility Policy, which is publicly available on the Company's website.

Policy Link: https://www.gnfc.in/wp-content/uploads/2024/08/1-Business-Responsibility-and-Sustainability-Reporting-Policy.pdf

5. Return to work and Retention rates of permanent employees and workers that took parental leave:

Gender	**Permanent employees**		**Permanent workers**	
	Return to work rate	**Retention rate**	**Return to work rate**	**Retention rate**
Male	-	-	-	-
Female	100%	100%	N.A	N.A
Total	-	-	-	-

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:

	Yes/No(If Yes, then give details of the mechanism in brief)
Permanent Workers Other than Permanent Workers Permanent Employees Other than Permanent Employees	Yes, GNFC has implemented a comprehensive grievance redressal mechanism. A designated HR Single Point of Contact (SPOC) serves as the Grievance Redressal Officer, with grievances accepted via email, verbal communication, or written letters directed to HR or the Managing Director. The HR SPOC is responsible for analyzing the grievance and forwarding it to the relevant department for investigation, resolution, and feedback. An Industrial Relations Committee, comprising 15 members from both management and the staff union, is tasked with addressing employee grievances. Additionally, grievances from non-permanent workers are routed through their respective contractors, who escalate the concerns to the HR Department for resolution.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

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	2004	1342	66.97%	2,144	1404	65.49%
Male	1943	1306	67.22%	2,081	1,366	65.64%
Female	61	36	59.02%	63	38	60.32%
Total Permanent Workers	-	-	-	-	-	-
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

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	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	2301	159	6.91%	613	27%	2340	278	11.88%	639	27.31%
Female	94	32	34.04%	24	26%	91	9	9.89%	21	23.08%
Total	2395	191	7.97%	637	27%	2431	287	11.81%	660	27.15%
Workers										
Male	2372	1385	58.39%	0	0%	1834	1163	63.41%	0	0%
Female	127	20	16%	0	0%	112	0	0.00%	0	0%
Total	2499	1405	56%	0	0%	1946	1163	59.76%	0	0

9. Details of performance & career development reviews of employees & workers:						
Category	**FY 2024-25 (Current Financial Year)**			**FY 2023-24 (Previous Financial Year)**		
	Total (A)	**No. (B)**	**% (B/A)**	**Total (C)**	**No. (D)**	**% (D/C)**
Employees						
Male	2301	2301	100%	2340	2340	100%
Female	94	94	100%	91	91	100%
Total	2395	2395	100%	2431	2431	100%
Workers						
Male	2372	0	0	1834	0	0
Female	127	0	0	112	0	0
Total	2499	0	0	1946	0	0
Note – There are no permanent workers in GNFC. Other than permanent workers are engaged through independent contractor.						

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?

Yes, GNFC has implemented a comprehensive Occupational Health and Safety Management System across all its operations, including the Bharuch and TDI-II, Dahej plants. A well-defined Occupational Health and Safety Policy has been established to ensure the effective execution and continuous improvement of health and safety practices across the organization.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

GNFC has implemented a comprehensive Hazard Identification and Risk Assessment (HIRA) process to systematically identify and assess hazards associated with both routine and non-routine activities. The HIRA register is maintained and reviewed biannually. Job Safety Analysis (JSA) is conducted for all tasks, and HAZOP (Hazard and Operability) studies are undertaken as part of the Management of Change (MoC) process.

To mitigate work-related hazards and risks, GNFC has adopted the following hierarchy of controls:

- A well-established work permit system;
- Electrical isolation protocols;
- A structured safety observation reporting mechanism;
- Systems for reporting, analyzing, and investigating incidents and near-misses;
- Regular monitoring and enforcement of statutory compliance related to processes, plants, and equipment;
- Provision and maintenance of appropriate Personal Protective Equipment (PPE);
- Continuous monitoring and upkeep of fire safety equipment;
- Execution of fire turnout drills, mock drills, and tabletop exercises to strengthen the Emergency Management System and implement identified improvements.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks (Yes/No)?

Yes, GNFC has a robust system in place for tracking, recording, and reporting work-related hazards. The Company operates an online Accident Reporting System (ARS) to log near-misses, accidents, and hazardous occurrences within the plant. Employees are actively encouraged to report near-misses through this platform.

In addition, GNFC has institutionalized Occupational Health and Safety training programs for employees and workers. Safety-related observations, unsafe acts, and hazardous conditions are systematically recorded and reviewed. Safety Committee and Sub-Committee members also contribute by reporting unsafe practices and conditions, with action plans subsequently assigned to the respective departments for timely resolution and compliance.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, GNFC has made available medical services to its employees/workers and their family members according to medical policy.

11. Details of safety related incidents, 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	0
	Workers	0.32	0.17
Total recordable work-related injuries	Employees	0	0
	Workers	2	1
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

12. Describe the measures taken by the entity to ensure a safe and healthy workplace:

Health and safety is considered as an important management activity that requires a culture of continual improvement. Site-level HSE team advise, suggests, and supports all operations and employees in integrating health and safety standards into their operational planning, business decisions, and daily process activities. GNFC has established and implemented Integrated Management System in line with ISO 45001:2018 and ISO: 14001:2015. Site health and safety personnel are trained to identify, alleviate, and control risks specific to their operations. Health and safety-related training, awareness sessions and inspections are carried out on a periodic basis. GNFC has formulated two safety sub-committees, namely, Apex Safety Committee and Plant wise Safety Sub-Committees to review, monitor and deliberate upon health & safety matters.

Periodical internal and external safety audits are conducted, and compliance report is reviewed and monitored at the top level. Safety is given top priority since the design stage of the Plant with in-built safety criteria. Plant operation is being managed by trained and experienced manpower along with integration of effective instrumentation such as DCS/PLC for taking care of the processes. GNFC also has well established Permit to Work System for various jobs in the Plant.

GNFC has also a strong focus to create awareness among its employees and other stakeholders on health & safety practices. As a part of this, GNFC organized annual health and safety quiz to create awareness among its employees and workers. Appropriate reward system is also in place to motivate employees and workers. Health & safety skit plays were organized to create awareness. Safety training programs were conducted in schools, colleges, and old age homes to create awareness on health and safety. Some of the initiatives implemented in 2024-2025 during National Safety Week Celebration are as follows:

- 1705 employees have participated in Online Safety quiz.
- 124 nos. of employees & 60 nos. of contract workers have participated in Breathing apparatus set rescue competition.
- 53 nos. of employees have participated in Group discussion on various incident case studies.
- Organized Safety training & Quiz competition with spot reward for contract workers.
- Training on Safe transportation of hazardous chemicals imparted to Auto tanker drivers at regular frequency.

F&S Department also observed National Fire Service Day on 14th April conducting various fire safety awareness programs.

GNFC has a well-equipped firefighting system and qualified and trained fire crew in place, with the help of which GNFC extends support to Bharuch Municipality and other nearby industrial areas & community during fire incidents.

As a part of fire & safety awareness among the nearby community, first aid fire & safety trainings and evacuation drills were conducted as follows:

- 29th June 2024: Queens of Angel, Vadadala, Bharuch;
- 5th August 2024 at KGM school, Bharuch;
- 31st Dec 2024 First aid firefighting training and fire show conduct for school children during science exhibition;
- 10th Jan 2025 Narmada School;
- GNFC successfully attended twenty-eight outside fire and other emergency calls from other industries / areas.

13. Number of Complaints on the following made by employees & workers:

	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	Nil	Nil	Nil	Nil	Nil	Nil
Health & Safety	Nil	Nil	Nil	Nil	Nil	Nil

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

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:

There were no incidents of fatalities and reportable disability reported during the last reporting period - FY 2024-25.
There were only first-aid-related incidents reported during the reporting period which have been investigated and appropriate corrective and preventive actions have been taken to avoid the recurrence. Toolbox talks are conducted on daily basis to reduce the potential work-related hazards and risks.

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).

Yes, The Company provides a Group Personal Accident policy for all employees, offering coverage 24 hours a day, 365 days a year, for accidental death or permanent/partial disability, whether on or off duty. Additionally, contract workers are covered either under the Workmen's Compensation Policy or ESIC.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company has been collecting monthly statement of PF & ESIC from Contractor in respect of Contract worker working at our site.

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:				
	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)
No

5. Details on assessment of value chain partners:	
	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	NIL
Working Conditions	NIL

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners:
No

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:
The Company identifies both internal and external stakeholders based on their influence on, or impact from, the value creation process. Accordingly, employees are recognized as internal stakeholders, while shareholders, customers, value chain partners, regulators, and farmers are classified as external stakeholders. Stakeholder engagement is driven by the degree of influence, potential impact, and level of interest each group has in the Company's operations. GNFC proactively engages with its stakeholders through targeted interactions and continuously reviews and updates stakeholder groups to ensure alignment with its evolving business context. In defining its key stakeholder groups, the Company takes into account various criteria including dependency, urgency, responsibility, vulnerability, and influence, ensuring that stakeholder management remains dynamic, relevant, and responsive.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:				
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 engagements**
Employees & Workers	No	• Departmental meetings • HR Programs • Meetings, seminars and reviews • Circulars	Periodically	• Understanding of the expectations and concerns of employees and workers. • Discussion regarding the implementation of a fair and equitable remuneration structure.
Logistic Partner	No	• Logistic partner meets	Periodically	• Ensuring Safe and Responsible Transportation of Raw Materials and Finished Products.
Farmers	No	• Farmers meet	Periodically	• Gathering Customer Feedback and Identifying Areas for Improvement. • Emphasis on product quality and reliability as key focus areas.
Customers other than farmers	No	• Formal & informal feedback • Email • Monthly magazines	Periodically	• Collecting Customer Feedback and Driving Continuous Improvement. • Focused on enhancing product quality and reliability based on customer insights.
Government Regulatory / Authorities	No	• Scheduled meetings	Periodically	• Timely adherence to environmental and social regulatory requirements.
Community	No	• CSR meets • Stakeholder meets	Periodically	• Engaging with communities to understand expectations related to CSR initiatives.
Vendors and Suppliers	No	• Contract revision & negotiation meetings • Suppliers meeting	Periodically	• Effective and transparent contract negotiation processes.

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:**

The Company's management regularly interacts with its key stakeholders i.e. investors, customers, suppliers, employees, etc.

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:**

The Company, through its CSR arm—Narmada Nagar Rural Development Society (NARDES)—actively engages with stakeholders to identify and prioritize issues related to economic, environmental, and social aspects. This structured engagement process ensures that the voices and concerns of local communities and other stakeholders are meaningfully considered in the Company's CSR planning.

By aligning its initiatives with stakeholder expectations and broader sustainability objectives, the Company enhances the effectiveness, relevance, and impact of its social responsibility efforts, thereby contributing to inclusive and sustainable development.

The Company, through its CSR arm—Narmadanagar Rural Development Society (NARDES)—implements a structured stakeholder engagement mechanism that helps identify, assess, and address environmental and social concerns. These consultations are conducted through participatory methods such as community meetings, need assessments, focus group discussions, and institutional feedback from schools, health departments, and local governing bodies.Stakeholder feedback is actively used to prioritize CSR projects, design interventions, and align initiatives with the most pressing needs of the communities. These engagements have significantly enhanced the relevance, acceptance, and sustainability of the Company's CSR initiatives.

3.	**Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable / marginalized stakeholder groups:**

The Company follows an integrated development approach that specifically targets disadvantaged, vulnerable, and marginalised stakeholders, with a strong focus on inclusive and collaborative growth. It has been the Company's constant endeavour to ensure that development initiatives reach the most underserved sections of society.

Through its CSR arm, Narmada Nagar Rural Development Society (NARDES), the Company maintains continuous engagement with communities in and around its operational areas to identify and address issues related to social development.

The CSR programmes are thoughtfully designed based on detailed need assessments, with a special emphasis on the needs of vulnerable and marginalised groups. These programmes aim to foster sustainable development, improve the quality of life, and promote socio-economic well-being across the communities served.

The Company adopts an inclusive development approach that places a strong emphasis on the well-being of vulnerable and marginalized communities. Through NARDES, continuous engagement is maintained with the communities in the vicinity of its operations to understand their specific needs and challenges.

Detailed discussions, focus group discussions, and participatory rural appraisals are conducted to gather insights directly from targeted. These insights form the foundation for the design and implementation of CSR initiatives that are tailored to bridge critical development gaps.

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:

Category	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	2004	1740	87%	2144	1840	85.82%
Other than permanent	391	255	65%	287	283	98.61%
Total Employees	2395	1995	83%	2431	2123	87.33%
Workers						
Permanent	0	N.A.	N.A.	0	N.A.	N.A.
Other thanpermanent	2499	-	-	1946	-	-
Total Workers	2499	-	-	1946	-	-

Note – The Company has no permanent workers. Training for other than permanent workers has not been conducted.

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	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	2004	0	0%	2004	100%	2144	0	0%	2144	100%
Male	1943	0	0%	1943	100%	2081	0	0%	2081	100%
Female	61	0	0%	61	100%	63	0	0%	63	100%
Other than permanent	391	0	0%	391	100%	287	0	0%	287	100%
Male	358	0	0%	358	100%	259	0	0%	259	100%
Female	33	0	0%	33	100%	28	0	0%	28	100%
Workers										
Permanent	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Other than permanent	2499	0	0%	2499	100%	1946	0	0%	1946	100%
Male	2372	0	0%	2372	100%	1834	0	0%	1834	100%
Female	127	0	0%	127	100%	112	0	0%	112	100%

Note – There are no permanent workers in the Company.

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration / wages:

	Male		Female	
	Number	**Median remuneration/ salary/ wages of respective category**	**Number**	**Median remuneration/ salary/ wages of respective category**
Board of Directors (BoD)	9	Kindly refer the note	-	Kindly refer the note
Key Managerial Personnel	1	6135650	0	0
*Employees other than BoD and KMP	2244	2054872	91	1328930
Workers	-	Kindly refer the note	-	Kindly refer the note

Note – Remuneration of Non-Executive Directors (NEDs) is decided by the board. NEDs are paid remuneration by way of sitting fees only for attending the Board or committees meeting(s). They are paid sitting fees @ INR 20,000 per meeting attended by them. Workers are engaged through third party contractor.

*Employees continued for the entire reporting period have only been considered.

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	2.53%	2.25%

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, a designated HR SPOC has been appointed to address and oversee human rights-related matters across GNFC's business operations.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues:

GNFC has a well-defined grievance redressal mechanism, with a nominated HR SPOC acting as the Grievance Redressal Officer. Grievances can be submitted via email, verbally, or in writing to HR or the MD. The HR SPOC reviews and forwards them to the relevant department for investigation and resolution.An Industrial Relations Committee, comprising 15 members from both Management and the Staff Union, handles employee grievances. Non-permanent workers may report issues through their contractors, who then escalate them to the HR Department for action.

6. Number of Complaints on the following made by employees and workers:

	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Filed during the year	**Pending resolution at the end of the year**	**Remarks**	**Filed during the year**	**Pending resolution at the end of the year**	**Remarks**
Sexual Harassment	0	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

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)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases:
GNFC has implemented a “Vigil Mechanism-cum-Whistle Blower Policy” to enable Directors and employees to report genuine concerns related to unethical conduct, suspected fraud, or misconduct. The policy ensures adequate safeguards against victimization of those who raise concerns. It is publicly available on the GNFC website and can be accessed at: https://www.gnfc.in/wp-content/uploads/2021/04/Vigill-Mechanism-Cum-Whistle%20Blower-Policy_21102014.pdf

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No):
Yes. GNFC has specific clauses included in the business Agreements and Contracts.

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%
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:
Nil. There were no incident related to human rights across the operations of GNFC in the reporting period.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints:
N.A.

2. Details of the scope and coverage of any Human rights due-diligence conducted:
N.A.

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?
Yes

4. Details on assessment of value chain partners:	
	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	N.A.
Discrimination at workplace	N.A.
Child Labour	N.A.
Forced Labour/Involuntary Labour	N.A.
Wages	N.A.
Others – please specify	N.A.

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above:
N.A.

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:**

Parameter	**FY 2024-25 (Current Financial Year) (Giga Joules)**	**FY 2023-24 (Previous Financial Year) (Giga Joules)**
From renewable sources		
Total electricity consumption (A)	1,54,095.03	1,35,833.45
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	1,54,095.03	1,35,833.45
From non-renewable sources		
Total electricity consumption (D)	5,77,417.26	5,90,968.60
Total fuel consumption (E)**	2,23,91,559.64	2,12,91,622.34
Energy consumption through other sources (F)	NIL	NIL
Total energy consumed from non-renewable sources (D+E+F)	2,29,68,976.90	2,18,82,590.95
Total energy consumed (A+B+C+D+E+F)	**2,31,23,071.93**	**2,20,18,424.40**
Energy intensity per rupee of turnover (Total energy consumed/ revenue from operations in millions)	292.99	277.66
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP in millions)*	70.73	68.04

Energy intensity in terms of physical output	7.50	7.67
Energy intensity (optional)	-	-
***Note :** The figure has been updated as per the IMF Implied PPP Conversion Rate ** The FY24 disclosures have been revised to exclude natural gas that was used as feedstock.		
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

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:

Yes, the company has two production facilities identified as Designated Consumers (DC) under the PAT scheme:

- Urea plant: DC reg. no.: FTZ0006GJ (Sector: Fertilizer Sector).
- ANP plant: DC reg. no.: FTZ0032GJ (Sector: Fertilizer Sector, Sub Sector: Complex Fertilizer).

In PAT Cycle-I (FY: 2012-13 to 2014-15) only Urea plant was specified as DC. The company was given with targeted specific energy consumption (SEC) for FY 2014-15 which was 0.49 MTOE/MT. GNFC had over-achieved the targeted SEC for PAT Cycle-I which is0.436 MTOE/MT. For this achievement GNFC was awarded 33557 nos. of Energy Saving Certificates (ESCerts) which were later banked with the Registry.

In PAT Cycle-II (FY: 2016-17 to 2018-19), along with Urea, ANP was also notified as DC under Complex Fertilizer sector. The Specific Energy Consumption (SEC) Target for Urea and ANP given as follows:

- Urea: SEC Target of 0.3907 MTOE/MT to be achieved by 2018-19. However, GNFC could not achieve the same and BEE had notified to purchase 8668 nos. of ESCerts. However, GNFC already has surplus of 24889 nos. of ESCerts.
- ANP: SEC Target of 0.2817 MTOE/MT be achieved by 2018-19. However, GNFC could not achieve the same and BEE had notified to purchase 10464 nos. of ESCerts.

As a remedial action, GNFC has purchased ESCerts as per the BEE's directions.In ESCert trading sessions for PAT-II cycle (from 14th Feb. 2023 to 31st Oct. 2023), the obligated purchase of 10,464 nos. of ESCerts for ANP DC has been completed by GNFC on the trading day of 14th Feb. 2023, while total 8918 out of 24889 nos. of available ESCerts of Urea DC were sold. PAT-III cycle trading sessions commenced from 19th march 2024 and suspended after 2nd July 2024. In this trading cycle, till date, 628 nos. of ESCerts of Urea DC were sold. GNFC is still having 15343 nos. of ESCerts balanced with perpetual validity.

For the next PAT cycles, BEE has excluded/exempted Urea plants and Complex Fertilizer plants of fertilizer sector from PAT scheme as per recommendations from DOF & FAI. These exclusions will be reviewed after 2024-25 based on then energy consumption norms as fixed by DoF/Niti Ayog as well as recommendations relevant to Nationally Determined Contribution (NDC) targets. Thus, no fresh Energy Saving Targets in Fertilizer Sector will be given to Urea as well as Complex Fertilizer plants in subsequent PAT Cycles till 2025. In case of any energy saving during the period, no ESCerts will be recommended by BEE. However, BEE is planning to convert PAT scheme for Urea DCs to Carbon Credit Trading Scheme (CCTS). In context with the same CCTS baseline audit is already conducted for Urea DC of GNFC Ltd., while its final report outcome is awaited.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	**FY 2024-25 (Current Financial Year) (Kilolitres)**	**FY 2023-24 (Previous Financial Year) (Kilolitres)**
Water withdrawal by source (in kilolitres)		
(i) Surface water	1,41,54,040	1,37,48,143
(ii) Groundwater[1]	63,600	NIL
(iii) Third party water (tanker)	NIL	NIL
(iv) Seawater / desalinated water	NIL	NIL
(v) Others (GIDC reservoir)	12,74,041	16,28,118
(vi) Water Bottles / Aquaguard (Ltr X number of bottle) (KL)[2]	1.44	NIL

Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1,54,91,682	1,53,76,261
Total volume of water consumption (in kilolitres)	1,55,64,252	1,51,27,822
Water intensity per rupee of turnover (Total water consumption / Revenue from operations in millions)	197.22	190.77
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP in millions)	47.61	46.75
Water intensity in terms of physical output	5.05	5.27
Water intensity (optional) – per employee	-	-

[1] Water withdrawal through Ground Water pertains to GIFT CITY Office, Gandhinagar

[2] Water Bottles / Aquaguard is also pertains to GIFT CITY Office, Gandhinagar

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

4. Provide the following details related to water discharged:

Parameter	**FY 2024-25 (Current Financial Year)**	**FY 2023-24 (Previous Financial Year)**
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	34,43,569	31,28,250
(ii) To Groundwater		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(iii) To Seawater		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	3,59,025	4,27,450
(iv) Sent to third-parties		
- No treatment	24,581	22,860
- With treatment – please specify level of treatment	Nil	Nil
(v) Others		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
Total water discharged (in kilolitres)	38,27,175	35,78,560

*Note: The figure has been revised following a review of the previous year's data.

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.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation:

GNFC has not implemented a mechanism for zero liquid discharge.

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/Year	3,409.00	2,264.00
SOx	MT/Year	3,123.00	2,046.00
Particulate matter (PM)	MT/Year	650	627
NH3	MT/Year	331	319
Total F	MT/Year	0	0
HC	MT/Year	1.24	1
CO	MT/Year	36.00	31
HCL	MT/Year	0.50	0.31
CL2	MT/Year	NIL	NIL
Persistent organic pollutants (POP)	MT/Year	N.A.	N.A.
Volatile organic compounds (VOC)	MT/Year	NIL	NIL
Hazardous air pollutants (HAP)	MT/Year	N.A.	N.A.
Others – please specify	MT/Year	NIL	NIL

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.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:			
Parameter	**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	19,03,591.56	18,16,456.47**
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	1,16,606.21	1,19,342.83
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations PPP in millions)	Metric tonnes of CO2 / Revenue in million	25.60	24.41
Total Scope 1 and Scope 2 emission intensity perrupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP in millions)*	Metric tonnes of CO2 / Revenue in million	6.18	5.98
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Metric tonnes of CO2 / Tonnes of production	0.66	0.67
Total Scope 1 and Scope 2 emission intensity (optional) – per employee		-	-

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

***Note:** The figure has been updated as per the IMF Implied PPP Conversion Rate

** The FY24 disclosures have been revised to exclude natural gas that was used as feedstock.

We have considered net electricity consumption at the Dahej plant, where renewable energy is generated and consumed within the plant premises—accounting for transmission losses.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details:

Yes, Gujarat Narmada Valley Fertilizers & Chemicals Limited (GNFC) has undertaken several initiatives aimed at reducing greenhouse gas (GHG) emissions as part of its commitment to energy conservation and sustainable operations. The company has invested in renewable energy sources, including the installation of solar power systems at its corporate buildings and a large-scale solar plant in a nearby village. Additionally, wind power is utilized at multiple sites, contributing to cleaner energy generation. GNFC has also implemented various energy efficiency measures such as replacing conventional lighting with energy-efficient LED fixtures across its township and plant areas, resulting in significant energy savings. Equipment modifications, including pump impeller trimming and the use of high-pressure natural gas in process feed systems, have further enhanced energy efficiency and reduced fuel consumption. Moreover, the company has focused on waste heat recovery and optimization of utility systems, such as air compressors and vacuum pumps, to minimize energy losses. These initiatives not only reduce the company's operational energy demand but also directly contribute to lowering GHG emissions. GNFC's continuous efforts in technology upgradation, renewable energy adoption, and process optimization reflect its proactive approach toward environmental sustainability and carbon footprint reduction.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	32.595	143.9
E-waste (B)	27.93	19.47
Bio-medical waste (C)	0.2960	0.36
Construction and demolition waste (D)	668.936	2,940.00
Battery waste (E)	32.3	9.97
Radioactive waste (F)	-	-
Other Hazardous waste (G) :		
Furnace debris	14.295	23.67
Process Waste (Tarry residue - Solid and liquid)	4845.914	6543.73
Organic residue from process.	0.2	0.5
Spent Catalyst & Molecular Sieve	19.25	28.35
Waste & residues containing oil.	19.75	25.33
Spent acid from batteries	0	0
Spent catalyst	20.186	124.1
Ethyl Acetate reacor residue	294.92	307.87
Process waste residue & Sludge of Paints, Inks, Pigments, Varnish & Lacquers.	0.2	0.2
Empty Barrels containers / liners contaminate with hazardous chemicals / wastes.	93	82.54
Spent Resin	46	38
ETP Sludge	6297.795	7635
Sludge from wet scrubber	286	192
Incinerator Ash	297.99	273.4

Gasifire Slag	17.9	17.34
Insulated Copper wire Scrap	20.46	15.57
Scrubbed liquid (Spent caustic) generated from TDI plant scrubbers	5589.5	8602.17
Lead washer	0.39	-
Carbon Soot	1870	-
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)Insulation waste, paper and food waste*	136.805	244.22
Total (A+B + C + D + E + F + G + H)	20632.61	27267.69
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations in millions)	0.26	0.34
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP in millions)	0.06	0.08
Waste intensity in terms of physical output	0.007	0.009
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
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	4067.936	5,402.98
(ii) Re-used	7505.5	8,912.70
(iii) Other recovery operations	0	0
Total	**11,573.436**	**14,315.68**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	215.23	208.05
(ii) Landfilling	3,482.75	3,649.30
(iii) Other disposal operations		
Co-processing	4,631.09	6,368.56
Pre processing	19.75	0.00
Composting	41.13	39.00
Utilization of C&D waste	668.94	2,067.44
Sent to common bio medical waste treatment facility	0.296	0.36
Total	**9,059.18**	**12,332.71**

*Certain waste categories such as food and paper waste were newly added in FY 2023–24, which has led to a change in the reported values.

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

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:
Hazardous waste generated at GNFC is collected and stored in designated hazardous waste storage areas. Its management is carried out in compliance with the Consolidated Consent & Authorization (CC&A) issued by the Gujarat Pollution Control Board (GPCB) and in accordance with the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, as amended.

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:

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
GNFC's operations at Bharuch and Dahej are located within notified Industrial and PCPIR (Petroleum, Chemicals and Petrochemicals Investment Region) areas, respectively. None of GNFC's operational sites or offices are situated in or around ecologically sensitive zones such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, or coastal regulation zones.			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NIL					

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:

Sr. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
GNFC remains fully compliant with the Water (Prevention & Control of Pollution) Act, the Air (Prevention & Control of Pollution) Act, and the Environment (Protection) Act along with the applicable rules. No fines or penalties were imposed by regulatory authorities during the reporting period.				

Leadership Indicator

1.	**Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**	
	For each facility / plant located in areas of water stress, provide the following information:	
(i)	Name of the area	-
(ii)	Nature of operations	-

(iii) Water withdrawal, consumption and discharge 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	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	-	-
Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)		

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 (Y/N) - No

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:			
Parameter	**Unit**	**FY 2024-25 (Current Financial Year)**	**FY 2023-24 (Previous Financial Year)**
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	-	-	-
Total Scope 3 emissions per rupee of turnover	-	-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-
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 (Y/N) - No			

3. 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:
GNFC's operations are not located in or around ecologically sensitive areas such as national parks, wildlife sanctuaries, or coastal regulation zones. As a result, there are no significant direct or indirect impacts on biodiversity in such areas, and no specific prevention or remediation measures are required. The Company ensures ongoing compliance with environmental regulations and remains committed to sustainable and responsible operations.

4. 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:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Installed N2O abatement system in existing Weak Nitric Acid-1 plant	-	Reduction of CO2 emission by 5,16,396 MTCO2e/ Annum
2	Installed and commissioned 4 MW solar power plant	-	Reduction of CO2 emission by 13,0000 MTCO2e/ Annum
3	Amine wastewater treatment at GNFC-Dahej Unit in place of incineration at GNFC, Bharuch.	-	Reduction in emission & fuel consumption in TDI incinerators.
4	Recycling of yellow wastewater	-	Reduction in emission, fuel consumption in TDI incinerators and reduction in hazardous waste generation
5	Re-use of spent caustic at both Bharuch and Dahej unit	-	Reduction in emission, fuel consumption in TDI incinerators and reduction in hazardous waste generation
6	Recycling of treated ANP discontinuous effluent	-	Resource recovery.
7	TDI Tar co-processing at cement industries	-	Equivalent quantity of coal consumption is reduced at cement industries
8	Recycling of NETP chemical & biological sludge at mix fertilizer units	-	Resource recovery

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link:

The Company has a comprehensive Emergency Preparedness Plan in place to effectively respond to unforeseen disruptions. Periodic Disaster Recovery (DR) drills are conducted to evaluate and enhance the readiness of systems and personnel.

Business Continuity Plans (BCP) have been developed to ensure a structured and swift recovery from any disruption in production activities. These plans are specifically designed to guide the Manufacturing Units in responding effectively to emergencies and restoring operations as quickly as possible.

The key objectives of the BCP for Manufacturing Plants include:

- Identifying potential threats that could disrupt business operations.
- Establishing pre-emptive arrangements and procedures to enable a quick and effective response to emergency events.
- Ensuring continuity of critical business functions during disruptions.
- Minimizing employee injuries or loss of life and reducing damage and operational losses.
- Safeguarding essential facilities, equipment, vital records, and critical assets.
- Defining roles and responsibilities of crisis response teams to enable coordinated and efficient actions.
- Facilitating timely and effective decision-making for operational restoration.
- Identifying alternative actions to minimize and mitigate the impact of crises and reduce response times.
- Quantifying the impact of disruptive events in terms of cost, time, business continuity, and workforce implications.
- Ensuring rapid recovery and resumption of full-scale manufacturing operations.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard:
No significant impact

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts:
-

8. How many Green Credits have been generated or procured:	
a. By the listed entity	As per the Green Credit Rules, 2023, participation to the Green Credit programme shall be based on voluntary participation. GNFC has yet not participated in green credit programme.
b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners	NIL

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:	11

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:

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Fertilizer Association of India	National
2	Federation of Gujarat Industries	State
3	Dahej Industrial Association	State
4	Gujarat Safety Council	State
5	National Safety Council	National
6	Safety, Health and Environment Association	National
7	Gujarat Chamber of Commerce & Industry	State
8	Gujarat Chemical Association	State
9	All India Management Association	National
10	Indian Polyurethane Association	National
11	Indian Chemical Council	National

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:

Name of authority	Brief of the case	Corrective action taken
Nil. There were no such issues reported on anti-competitive conduct from regulatory authorities.		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

Sr. 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	Advocacy for reasonable statutory and regulatory enactments that affect the company.	Usually through industry-related trade associations to which the company belongs.	-	As needed	-
2	Use of drone in agriculture	Through Industry bodies	-	As needed	-
3	Safe use of Agrochemicals by Farmers	Through Industry bodies	-	As needed	-

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:

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
Not applicable because no requirement for Social Impact assessment during the FY 2024-25.					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Sr. 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 (₹)
Not applicable since CSR Projects are not in aspirational districts identified by Government Authority.						

3. Describe the mechanisms to receive and redress grievances of the community:

GNFC has a structured grievance redressal mechanism in place, with a designated HR SPOC serving as the Grievance Redressal Officer. Employees can raise grievances via email, verbally, or through written communication to the HR Department or the Managing Director. The HR SPOC is responsible for reviewing and forwarding the grievances to the relevant department for investigation, resolution, and feedback. Additionally, an Industrial Relations Committee has been established to address employee grievances. This Committee consists of fifteen members, with representation from both Management and the Staff Union.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	4.89%	6.14%
Directly sourced within India	70.14%	85.05%

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	12.32	11.54
Semi-urban	81.83	83.81
Urban	0.63	0.57
Metropolitan	5.22	4.08

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 because no requirement for Social Impact assessment during the FY 2024-25.	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sr. No.	State	Aspirational District	Amount spent (In INR)
Not applicable since CSR Projects are not in aspirational districts identified by Government Authority.			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

No

(b) From which marginalized /vulnerable groups do you procure?

NA

(c) What percentage of total procurement (by value) does it constitute?

NA

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:

Sr. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
NIL				

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:

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Support to Government schools students of Bharuch District during Shala Praveshotsav.	275	100.00%
2	Support to Aashirwad Recreation centre for elderly people.	35	85.72%
3	Support for Development Activities in Narmada Vidyalaya.	2574	70.32%
4	Development Activities in Narmada Motlabai Public School.	98	100.00%
5	Support for Development Activities in Narmada College, NEST.	2247	52.24%
6	Support for Kala Gurjari.	110	70.00%

7	Livelihood Enhancement by Vocational Skills upgradation Through NITI.	120	100.00%
8	Support to 18 Meritorious Student of Bharuch for quality education.	18	100.00%
9	Revival of 3 SHG's for entrepreneurial activities.	30	100.00%
10	Primary Healthcare treatment through Mobile Medical Van.	1078	100.00%
11	To establish Smart Classrooms in 50 Government School of Bharuch District.	1154	100.00%
12	Support for Library in 08 Govt. Schools of Bharuch PAAs.	574	100.00%
13	Empowering Farmers through Narmada Kisan Samruddhi Pariyojna (NKSP) - Agri Clinic.	1057	100.00%
14	Contribution to Seva Yagna Samiti for pre- and post-surgical assistance to needy and un-attended patients of Bharuch.	315	100.00%
15	Integration of virtual reality (VR) Technologies in 02 Govt. schools, Vadadla & Zadeshwar.	475	100.00%
16	Contribution to District Administration for Early Warning System for Narmada Floods (E-Reva).	54175	100.00%
17	Contribution to SEWA Rural, Jhagadia for supporting 14 rural students.	14	100.00%
18	Support to SHG Women-Drones for entrepreneurial activities.	1154	100.00%
19	Support to Bharuch District Administration for providing 5000 food packets in Vadodara during flood.	5000	100.00%
20	Empowering Farmers through Narmada Kisan Samruddhi Pari yojana (NKSP)- Agri Clinic.	25138	100.00%
21	Upgradation of 20 existing Anganwadis into Smart Anganwadi in Bharuch District.	775	100.00%
22	Contribution for providing nutritional kit to 1475 underweight pregnant women (less than 42 kg)	1475	100.00%
23	To bridge the educational gap by appointing 08 Expert Teachers in Govt. Schools of Bharuch.	514	100.00%

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:
GNFC has established a comprehensive procedure for addressing consumer complaints. A feedback form is available on the Company's website at https://www.gnfc.in/contact-us/. Customers can also raise product-related concerns through multiple channels, including email to the Head of Department or customer care, phone calls to the customer care number printed on fertilizer bags, and in-person visits to Narmada Khedut Sahay Kendra (NKSK) retail outlets. A list of NKSK locations is available at https://www.gnfc.in/narmada-khedut-sahay-kendra/ and GNFC office locations at https://www.gnfc.in/divisions/gnfc-area-offices/. Farmers may also directly approach regional offices, area offices, or retail outlets, where complaint registers are maintained and addressed accordingly. Additionally, feedback forms are sent to major consumers and dealers to gather insights and continuously enhance the system.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:	
	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. Number of consumer complaints in respect of the following:

	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	Nil	Nil	Nil	Nil	Nil	Nil
Advertising	Nil	Nil	Nil	Nil	Nil	Nil
Cyber-security	Nil	Nil	Nil	Nil	Nil	Nil
Delivery of Products	Nil	Nil	Nil			
Quality of Products	Nil	Nil	Nil	Nil	Nil	Nil
Restrictive Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Unfair Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Other	Nil	Nil	Nil	Nil	Nil	Nil

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	NIL	NA
Forced recalls	NIL	NA

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:

Yes, GNFC's approach to cybersecurity is governed by its "Information Security Policy," which has been implemented to ensure regulatory compliance, mitigate significant risks, and meet rising customer expectations. The policy is publicly accessible on the GNFC website at the following link:

https://www.ncodesolutions.com/company-policy.php

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:

N.A.

7. Provide the following information relating to data breaches:
a. Number of instances of data breaches: NIL b. Percentage of data breaches involving personally identifiable information of customers: N.A. c. Impact, if any, of the data breaches: N.A.

Leadership Indicators

1. Channels / Platforms where information on products and services of the entity can be accessed (provide web link, if available):
Details on various products of GNFC can be accessed following websites. Website: www.gnfc.in & www.gnfcneem.in The Company has a customer care number (02642202243), specific Email id (customercare@gnfc.in) through which customers can reach out. Weblink: https://www.gnfc.in/services/chemicals/

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services:
GNFC actively educates and informs consumers about the safe and responsible use of its products through direct engagement with farmers, including on-site demonstrations. Additionally, the Company disseminates product knowledge and safety guidelines via e-bulletins, agricultural fairs, and exhibitions. Safety Data Sheets are also provided to customers to ensure proper and secure handling of products.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services:
In such instances GNFC communicates customers during their periodic customer meets.

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):
All GNFC products are approved in accordance with the Fertilizer Control Order, and product information is clearly specified on the packaging as per regulatory requirements. Additionally, customer satisfaction surveys are conducted annually in line with ISO standards to assess and enhance service quality.

ANNEXURE – C

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO FOR FINANCIAL YEAR 2024-2025

[Pursuant to Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

(A) CONSERVATION OF ENERGY

(i) Steps taken or impact on Conservation of Energy:

Company framed its energy policy in February, 2005 in accordance with Energy Conservation Act (EC Act 2001) & the same is in force.

The Company complies the regulation formed by Bureau of Energy Efficiency (BEE), Min. of Power under Perform Achieve Trade (PAT) mechanism.

The Company has acquired ISO-50001 (Energy Management System) certification for Bharuch unit in May 2021 and for Dahej unit in December, 2019.

Details of various Energy Saving Measures / Schemes implemented during the year 2024-25 are as given below:

a) Township Admin Office:

- In FY 2024-25, total 501 nos. of old conventional light fixtures were replaced with energy efficient LED fixtures in specific areas of Township. The total investment cost for the same is ₹ 3.64 Lakh. By this measure, estimated power saving of 12,998 kWh was achieved in the last FY 2024-25.

b) Electrical System, Bharuch:

- In plant areas, total 744 nos. old conventional light fittings were replaced with energy efficient LED fixtures. Total investment cost was ₹ 26 Lakh. By this measure, total 1,82,611 kWh of energy saving is achieved in the last FY 2024-25.
- By improving Power Factor, GNFC received power factor rebate of ₹ 127 Lakh in the last FY 2024-25.

c) Electrical System, Dahej:

- By improving Power Factor, GNFC received power factor rebate of ₹ 86 Lakh in the last FY 2024-25.

d) Ethyl Acetate Plant:

- Impeller trimming of the pump P-3610A was done for power saving. Power saving potential is 23,760 kWh per year.

e) Methanol-II Plant:

- Modification scheme for utilization of high pressure Natural Gas for reformer feed. The scheme was implemented in July 2024. The scheme had benefited in power saving by 8,000 kWh per day. The investment cost of the scheme is around ₹ 22 Lakh.

f) HyCO and Utility plant, Dahej:

- Replacement of VAM machines with 3 nos. of Electrically driven Screw Compressor Chillers (350 TR each). Modification scheme is implemented in February, 2024 and all three Screw Chiller units are under operation since April, 2024. The total investment cost for the scheme is around ₹ 283 Lakh. Net energy saving is equivalent to 19840664 kWh per year.

Energy Saving Measures under implementation or planned for implementation:

a) Electrical System, Bharuch:

- Total power saving of 4,20,584 kWh has been planned by replacing old conventional light fittings with energy efficient LED fittings (total 1960 nos.). The estimated cost would be ₹ 72 Lakh.

b) ASGP:

- Process condensate heat which being lost in Cooling water is partially recovered by preheating NG. Energy saving potential is 0.5 Gcal/hr. Estimated cost of the scheme is ₹ 101 Lakh.
- Replacing Syn gas by H2 rich feed gas of PSA in Reformer Feed. By this measure, energy will be reduced by around 0.0103 GCal/MT of Urea at same production rate by reducing Reformer load. Yearly estimated energy saving will be around 6673.7 Gcal.

c) Urea Plant:

- Installation of condensate pump with optimized head and capacity. Estimated power saving is 480 KWH/day.
- Conversion of Main Ammonia feed pump (P-1A/B/C) Torque Convertor to Variable Frequency Drive (VFD). Estimated power saving is 3600 kWh/Day. Estimated cost of the Scheme is ₹ 1037 Lakh.

d) Utility Plant, Bharuch:

- Installation of new Service Air Compressor with lower head. Envisaged benefit is power saving of up to 11,88,000 kWh per year.

e) TDI-II Wet section, Dahej:

- Preheating of Dehydration Column Feed against waste heat in MTD plant. Estimated saving in steam is 0.385 MT/hr. The scheme is under implementation. Estimated cost of the scheme is ₹ 159 Lakh.
- Installation of new pump with lower head in MTD Hydrogenator Loop Water. Estimated saving in power is around 320 MWH per year. The scheme is under implementation. Estimated cost of the scheme is ₹ 76.10 Lakh.

f) TDI-II Dry Section, Dahej:

- Application of once through ODCB in vacuum pumps. By this measure, overall reliability of plant will improve and estimated steam saving of 0.955 MT/h will be achieved. The scheme is under implementation. Estimated cost of the scheme is ₹ 365 Lakh.

(ii) The steps taken by the Company for utilizing alternate sources of energy:

- Solar Photo Voltaic power generation systems have been installed at Corporate Building, School building and Guest house building having total capacity of 300 kW. 10 MW solar plant is installed at village Charanka which was commissioned on 17/11/2020. In addition to this, 4 MW Solar Project is installed at village Charanka and commissioned on 05/06/2024, its power is being utilized at TDI-II Dahej.
- In all total 1,82,41,634 kWh of power was generated from solar plants during the last year. Power generation figure of March, 2025 month for 10 MW and 4 MW Solar power plants is not received from SLDC-GETCO till date.
- Total installed capacity of Wind Power Turbo Generators (installed at Lathedi and Shikarpur sites in Kutch) is 21 MW. During the last year till February, 2025, total 22230754 kWh of power was generated from Wind Mills. Power generation figure of March, 2025 month is not received from SLDC-GETCO till date.

(iii) Capital investment on Energy Conservation Equipments / Measures:

- The company has made total capital investment of ₹ 335 Lakh on energy conservation measures.

(B) TECHNOLOGY ABSORPTION:

(i) Efforts in brief, made towards technology absorption:

- Implementation of various reliably, safety and energy saving schemes carried out in plants for safe and reliable operations, improving machine / equipment performance and energy saving.
- We interact with know how supplier/consultant for solving plant problems, and reliability to sustain productivity and improving plant performance.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

Nil.

(iii) In case of imported technology (Imported during the last three years reckoned from the beginning of the financial year):

Nil.

RESEARCH & DEVELOPMENT:

1) Specific R&D Assignments and Benefits:

Research was carried out in areas of Development of Catalysts for In-house captive use, Value added products from by-products, development of Potassium Methoxide catalyst etc.

1) Large scale manufacturing of H_2S removal catalysts for India's Largest SRU. During the year ever highest production and supply of the proprietary catalysts was achieved.

2) Experiments on Value added products and import substitutes development of Potassium Methoxide catalyst were carried out, largely to match with Raw material specifications of Formic Acid Plant.

3) Development of Biocides for Sulphur Recovery Unit based on CATSOL process.

2) Benefits derived as a result of R&D:

1) Commercialization of R&D product on Large scale.

2) Import substitute catalysts development.

3) Recycling, Green Chemistry and Environment improvement benefits.

3) Future Plans of Action:

1) To scale up Process catalysts for captive use.

2) To take up Value added products development for next scale.

3) To provide technical services to Customers and Process Plants.

4) Expenditure on Research and Development: **(₹ in crores)**

No.	Nature of Expenditure	FY 2024-25	FY 2023-24
1.	Capital Expenditure	**0.12**	0.00
2.	Recurring Expenditure	**0.05**	0.16
3.	Salaries to R&D Personnel	**2.98**	3.31
4.	Power and Fuel	**0.07**	0.07
	Total	**3.22**	3.54
5.	Total R&D expenditure as percentage of Total Turnover	**0.0408%**	0.0446%
6.	Gross Turn-over	**7892.45**	7929.73

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO: **(₹ in crores)**

Particulars	FY 2024-25	FY 2023-24
Foreign Exchange Used	**487.49**	720.88
Foreign Exchange Earned	**6.59**	70.14

ANNEXURE - D

DISCLOSURE PURSUANT TO RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR FINANCIAL YEAR 2024-25.

<table>
<tr><th>Sr. No.</th><th>Requirement</th><th>Details</th></tr>
<tr><td>1</td><td>Ratio of remuneration of each Director to the median remuneration of the employees of the Company.</td><td>Non-Executive Directors are paid remuneration by way of Sitting Fees only for attending the Meetings of the Board of Directors and various Committees of the Company.

Appointment of Managing Director (MD) (Executive Director) is made by the Board of Directors in consultation with Government of Gujarat (GoG) and he/she is usually a Senior IAS Officer. MD is paid remuneration as per the terms and conditions prescribed and notified by GoG and as determined by the Board of Directors in accordance with the Articles of Association of the Company, The Companies Act, 2013 (the Act) and the relevant Rules framed thereunder as amended from time to time and subject to the approval of Shareholders.

Shri Pankaj Joshi, IAS, who is presently designated as Chief Secretary to the Chief Minister - Gujarat, held the additional charge of Managing Director of the Company up to February 5, 2025. Subsequently, Dr. T. Natarajan, IAS who is presently designated as Principal Secretary to Government, Finance Department assumed the additional charge of Managing Director w.e.f. February 5, 2025.

No remuneration has been paid to Dr. T. Natarajan, IAS for holding the said charge. Payment of Special Pay/Charge Allowance, if any to be paid, will be subject to the ceiling not exceeding the limit specified in Schedule V of the Act.

In view of the above, ratio of remuneration of each Director to the median remuneration of the employees is not comparable and hence details are not furnished under this column.</td></tr>
<tr><td>2</td><td>Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any.</td><td>
<table>
<tr><th>Sr.</th><th>Director / KMP</th><th>Title</th><th>% increase in remuneration</th></tr>
<tr><td>1</td><td>Shri Pankaj Joshi, IAS</td><td>MD</td><td>66.00</td></tr>
<tr><td>2</td><td>Shri D.V. Parikh</td><td>CFO</td><td>-17.87</td></tr>
<tr><td>3</td><td>Shri A C Shah [1]</td><td>CS</td><td>-68.89</td></tr>
<tr><td>4</td><td>Ms. C P Dharajiya [2]</td><td>CS</td><td>--</td></tr>
</table>
1. Shri A C Shah ceased to be a Company Secretary & Compliance Officer of the Company w.e.f. May 31, 2024.
2. Ms. Chetna Dharajiya was appointed as the Company Secretary and Compliance Officer of the Company w.e.f. June 01, 2024 and hence the percentage increase in remuneration for FY 2024-25 is not applicable. However, she has resigned and ceased to be Company Secretary & Compliance officer of the Company w.e.f. March 26, 2025.
3. Non-Executive Directors are paid only sitting fees for attending the Board / Committee Meetings.</td></tr>
<tr><td>3</td><td>Percentage increase in the median remuneration of employees.</td><td>-12.88% considering full year present of Regular employees in employment for FY 2024-25 & FY 2023-24.</td></tr>
<tr><td>4</td><td>Number of permanent employees on the rolls of Company at the end of the year.</td><td>1997.</td></tr>
</table>

5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	There was -15.62% average percentile increase in the salary of employees other than Key Managerial Personnel (KMP) as against this there was increase of -9.71% in the remuneration of KMP for FY 2024-25 compared to FY 2023- 24.
6	Affirmation that the remuneration is as per the remuneration policy of the Company.	The Company has in place different Grades of remuneration for KMP other than MD, Senior Management Personnel and Other Employees. The remuneration is paid to them as per the grade in which they are employed and as per the terms of their appointment. The remuneration is paid to MD as per the terms and conditions prescribed and notified by GoG with requisite approval of Board of Directors and Members of the Company under the law.

ANNEXURE - E

Form No. MR -3

Secretarial Audit Report

(For the Financial year ended on 31st March, 2025)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Gujarat Narmada Valley Fertilizers & Chemicals Limited,
P.O. Narmadanagar,
Dist. Bharuch – 392015, Gujarat, India.

Dear Sirs,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by **Gujarat Narmada Valley Fertilizers & Chemicals Limited (CIN L24110GJ1976PLC002903)** (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, minutes 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 **31st March, 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 **31st March, 2025**, according to the provisions of;

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB);
5. 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 - Not Applicable during the Financial year under review.
    D. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - Not Applicable during the Financial year under review.
    E. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - Not Applicable during the Financial year under review.
    F. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 – The Company has appointed Kfin Technologies Limited SEBI Registered Category I Registrar & Share Transfer Agent.
    G. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021. - Not Applicable during the Financial year under review.
    H. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - Not Applicable during the Financial year under review.

6. We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant records on test check basis, the Company has complied with the following specific laws to the extent applicable to the Company;
    1. The Environment (Protection) Act, 1986
    2. The Air (Prevention and Control of Pollution) Act, 1981
    3. The Water (Prevention and Control of Pollution) Act, 1974
    4. The Ammonium Nitrate Rules, 2012
    5. The Petroleum Act, 1934
    6. The Explosives Act, 1884 and Explosive Rules, 2008 and
    7. The Hazardous and other Wastes (Management and Transboundary Movement) Rules, 2016.

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

(i) The Mandatory Secretarial Standards (SS-1 and SS-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 and amendments made thereunder.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards mentioned above.

We further report that;

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent atleast seven days in advance 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.

We further report that as per the minutes of the meetings duly recorded and signed by the Chairman, the decisions were carried at meetings without any dissent.

Based on the Compliance mechanism established by the Company and on the basis of information provided by the officers of the Company and the compliance certificates placed before the Board and taken on record by the Board of Directors at their meetings, we are of the opinion 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;

The Company has passed Special Resolutions at the 48th AGM held on 20th September, 2024 for Re-appointment of Prof. Ranjan Kumar Ghosh (DIN: 08551618) as an Independent Non-Executive Director of the Company to hold office for a second term of three consecutive years from 23rd September, 2024 to 22nd September, 2027.

The Company has through the Postal Ballot process which was concluded on 28th February, 2025 by Special Resolution approved the appointment of Shri Ajai Bahadur Khare (DIN: 07416463) as an Independent Non-Executive Director of the Company.

Place : Vadodara
Date : May 23, 2025

for J. J. Gandhi & Co.
Practising Company Secretaries

(J. J. Gandhi)
Proprietor
FCS No. 3519 and CP No. 2515
P R No. 1174/2021
UDIN number F003519G000414897

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,
Gujarat Narmada Valley Fertilizers & Chemicals Limited,
P.O. Narmadanagar, Dist. Bharuch – 392015, Gujarat, India

Our Secretarial Audit Report 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 the 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. The Compliance of applicable financial laws like direct and indirect laws have not been reviewed in this Audit since the same have been subject to review by Statutory Financial Audit and Other designated professionals.
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 J. J. Gandhi & Co.
Practising Company Secretaries

(J. J. Gandhi)
Proprietor
FCS No. 3519 and CP No. 2515
P R No. 1174/2021

Place : Vadodara
Date : May 23, 2025

Annexure F

DIVIDEND DISTRIBUTION POLICY

INTRODUCTION

As per Regulation 43A of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), prescribed listed companies based on market capitalization, to formulate a 'Dividend Distribution Policy', which shall be disclosed on the website of the listed entity and a web-link to be provided in the Annual Report.

OBJECTIVE AND SCOPE

The intent of the policy is to broadly specify the internal and external factors, including financial parameters that shall be considered while recommending the dividend and the circumstances under which the shareholders of the Company may or may not expect dividend, etc.

DEFINITIONS

In the Policy, unless the context otherwise requires:

"Act" shall mean the Companies Act, 2013 and the Rules framed thereunder, including any modifications, amendments, clarifications, circulars or re-enactment thereof.

"Applicable Laws" shall mean the Companies Act, 2013 and the rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended from time to time and such other act, rules or regulations which provides for the distribution of Dividend.

"Board" or "Board of Directors" means the collective body of the Directors of the Company.

"Company" means Gujarat Narmada Valley Fertilizers & Chemicals Limited.

"Dividend" means dividend on equity shares of the Company and includes interim dividend.

"Listing Regulations" means Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended from time to time or any reenactment thereof.

"Policy" means this Dividend Distribution Policy of the Company.

All the words and expression used in this Policy, unless defined in the Policy, shall have the same meaning respectively assigned to them under the Applicable Laws.

EFFECTIVE DATE AND APPLICABILITY

This Policy shall be effective from the date of its adoption by the Board.

The Policy shall not be applicable in the following circumstances:

- Determination and declaring dividend on preference shares, if any;
- Distribution of dividend in kind, i.e. by issue of fully or partly paid bonus shares or other securities, subject to applicable laws;
- Any distribution of cash as an alternative to payment of dividend by way of buyback of equity shares.

STATUTORY REQUIREMENTS

The Board of Directors shall recommend the dividend as per the Policy, in compliance with the provisions of the Companies Act, 2013, Rules made thereunder and other applicable laws, if any.

Further, the Board of Directors of the Company will consider the recommendation of dividend for any financial year after taking into account the Profits of the Company and after transfer of such percentage of its profits for that financial year as it may consider appropriate to the reserves of the Company.

The Board of Directors may declare interim dividend, subject to the provisions of the Companies Act, 2013 and the Rules made thereunder, during any financial year, out of the surplus in the profit and loss account and out of profits of the financial year, in which such interim dividend is sought to be declared.

FINANCIAL PARAMETERS / INTERNAL AND EXTERNAL FACTORS FOR DECLARATION OF DIVIDEND

The decision of dividend payout or retention of profits by the Board shall, inter-alia, depend, including but not limited to the following financial parameters / internal and external factors:

Financial Parameters:

i) Quantum of anticipated capital expenditure;

ii) Magnitude of realized profits;

iii) Operating cash flow and liquidity;

iv) Investment opportunities;

v) Capacity to service interest / principal (borrowings);

vi) Cost of borrowings vis-à-vis cost of capital;

vii) Sales volume;

viii) Anticipated expenses;

ix) Financial ratios (e.g. EPS-post dividend), etc.

Internal & External Factors:

i) Cash flow position of the Company;

ii) Stability of earnings;

iii) Cost of borrowings;

iv) Number of shareholders;

v) Future growth plans / strategies / capital expenditure, etc;

vi) Past dividend trends;

vii) Over-all economic / regulatory environment including tax laws;

viii) Macro-economic conditions / Industry outlook and stage of business cycle for underlined business;

ix) Dividend payout ratios of companies in same industries;

x) Government Guidelines;

xi) As may be directed by the Promoter(s) of the Company from time to time;

xii) Any other contingency plans.

CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

The shareholders of the Company may not expect dividend under the following circumstances:

i) Inadequacy of profits or losses – If during any financial year, the Board determines that the profits of the Company are inadequate or the Company has incurred losses, the Board may decide not to declare dividends for that financial year;

ii) Any other circumstances / factors which the Board may consider appropriate in the best interest of the Company and the shareholders.

MANNER OF UTILIZATION OF RETAINED EARNINGS

The Board may retain its earnings in order to make better use of available funds and increase the value of stakeholders in the long run. The decision of utilization of retained earnings of the Company shall be mainly based on the following factors:

- Strategic and long term plans;
- Diversification & expansion opportunities;

- Revamp of ageing plants and for achieving better energy efficiency;
- Non-fund based need of the Company, its Subsidiary and Joint Ventures which may require to have healthy consolidated balance sheet;
- Any other criteria which the Board may consider appropriate.

PARAMETERS TO BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

The Company has presently issued only one class of shares i.e. Equity Shares with equal voting rights. The Policy shall be suitably revisited at the time of issue of any new class of shares, subject to the provisions of the Companies Act, 2013 and other applicable laws prevailing from time to time.

AMENDMENT IN POLICY

The Board of the Company shall have the authority to amend or modify this Policy to align with any amendments made to the Act and rules made thereunder or Listing Regulations or applicable Accounting Standards or such other circulars, SOP, guidelines or regulations issued by SEBI or any other statutory authority.

In the event of any subsequent amendment / modification in the Listing Regulations, Act and/or applicable laws then this Policy shall stand modified to the extent applicable.

In the event of inconsistency of this Policy with any statutory provisions, then the relevant provisions of such applicable law shall prevail upon the provisions of this Policy.

CAUTIONARY STATEMENT

The Policy reflects the intent of the Company to reward its shareholders by sharing a portion of its profits after retaining sufficient funds for growth of the company. The Company shall pursue this Policy to pay dividend, subject to the circumstances and factors enlisted here-in-above, which shall be consistent with the performance of the Company over the years.

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is an integral part of the Company's philosophy in its pursuit of excellence, growth, and value creation. The Company strongly believes that having a robust governance structure is the stepping stone for every milestone ahead. The Company's philosophy on Corporate Governance emanates from resolute commitment to protect stakeholder rights and interests, proactively manage risks and foster long-term corporate goals. The Company is committed to the principles of good governance in its letter and spirit.

It permeates in all aspects of working – workplace management, marketplace responsibility, community engagement, and business decisions. The Company's business strategies are guided by its philosophy on Corporate Governance, which ensures fiscal accountability, ethical corporate behaviour, and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors, and the society at large.

The Company operates within accepted standards of propriety, fair play, and justice and aims at creating a culture of openness in relationships between itself and its Stakeholders. It has set up a system that enables all its employees to voice their concerns openly and without any fear or inhibition.

Our corporate governance framework ensures that we make timely disclosures and share accurate information regarding our financials and performance, as well as disclosures related to the leadership and governance of the Company.

The Company is in complaince with the requirements stipulated under Regulations 17 to 27 read with Para C and D of Schedule V and clauses (b) to (i) and (t) of Regulation 46(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') as applicable with regard to Corporate Governance.

CODE OF CONDUCT

The Board has laid down a Code of Conduct for the Board Members inter alia incorporating the duties of Independent Directors as laid down in the Companies Act, 2013 ('Act'). The Board has also laid down the Code of Conduct for Senior Management Personnel of the Company. These Codes set ethical standards for Directors and Senior Management Personnel. Both the Codes are available on the Company's Website viz. www.gnfc.in. All the Board Members and Senior Management Personnel have affirmed their compliance with the said Code of Conduct. A declaration to this effect signed by the Managing Director for the FY 2024-25 is annexed to this Report.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING AND CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURES OF UNPUBLISHED PRICE SENSITIVE INFORMATION

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, ('SEBI Insider Trading Regulations'), as amended from time to time, the Board of Directors of the Company has adopted the Code of Conduct for Prevention of Insider Trading ('Insider Trading Code') and the Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information.

Mr. Rajesh Pillai, Company Secretary is the 'Compliance Officer' in terms of this Insider Trading Code, w.e.f. May 23, 2025.

BOARD OF DIRECTORS

COMPOSITION OF THE BOARD OF DIRECTORS

The Company has an active, experienced, diverse, and well-informed Board of Directors. The Board along with its Committees undertakes its fiduciary duties keeping in mind the interests of all the Stakeholders and the Company's Corporate Governance philosophy. The Company has an optimum combination of Executive and Non-Executive Directors which is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 and 152 of the Act. The Board periodically evaluates the need for change in its composition and size.

In terms of Regulation 17 of the SEBI Listing Regulations, at least 50% of the Board should comprise Non-Executive Independent Directors with at least one Independent Woman Director. Out of the total nine (9) Directors as on March 31, 2025, five (5) are Independent Directors constituting more than 50%of the Board. The Company has one (1) woman Independent Director on the Board as on the said date. A detailed profile of all Directors is available on the Company's website at https://www.gnfc.in/board-of-directors/.

The Board met four (4) times during the FY 2024-25, on the following dates:

1. May 28, 2024.
2. August 13, 2024.
3. November 13, 2024.
4. February 14, 2025.

The gap between the two Meetings did not exceed 120 days, and the Meetings were conducted in compliance with all applicable provisions of the laws. The necessary quorum was present for all the Meetings.

CATEGORY AND ATTENDANCE OF DIRECTORS

The category of Directors, attendance at Board Meetings held during the financial year under review, the number of Directorships and Committee Chairpersonships/Memberships held by them in other public limited companies and Directorships held by them in other listed entities as on March 31, 2025 are as follows.

Name of the Director	Category	Number of Board meetings attended during FY 2024-25	Attendance at last AGM	Number of Directorships in other Companies		Number of Committee positions held in other Companies		Directorship in other Listed Companies(Category of Directorship)
				Chairperson	Member	Chairperson	Member	
Shri Raj Kumar, IAS[1] Chairman DIN: 00294527	Non-Executive – Nominee Director	3 of 3	YES	-	-	-	-	NA
Shri Pankaj Joshi, IAS[2] Chairman DIN: 01532892	Non-Executive – Nominee Director	1 of 1	NA	6	1	2	2	1. Gujarat State Petronet Limited- Chairman & Managing Director 2. Gujarat Gas Limited- Non Executive – Chairman 3. Gujarat State Fertilizers & Chemicals Limited- Non-Executive – Nominee Director- Chairman
Smt. Mamta Verma, IAS[3] DIN: 01854315	Non-Executive, Non-Independent Director	1 of 1	NA	-	-	-	-	NA
Shri S J Haider, IAS[4] DIN: 02879522	Non-Executive, Non-Independent Director	2 of 3	YES	4	3	-	2	1. Gujarat State Fertilizers & Chemicals Limited- Non – Executive – Non Independent Director 2. Gujarat Gas Limited- Non – Executive – Non Independent Director
Shri Kamal Dayani, IAS DIN: 05351774	Non-Executive,Non-Independent Director	3 of 4	YES	-	3	-	1	1. Gujarat State Fertilizers & Chemicals Limited - Executive - Nominee Director
Shri J P Gupta, IAS[5] DIN: 01952821	Non-Executive, Non-Independent Director	1 of 1	NA	-	-	-	-	NA
Dr. T Natarajan, IAS[6] DIN: 00396367	Non-Executive, Non-Independent Director	1 of 1	YES	1	8	-	-	1. Gujarat Alkalies & Chemicals Limited- Non-Executive, Non-Independent Director 2. Gujarat Gas Limited- Non-Executive, Non-Independent Director 3. Gujarat State Fertilizers & Chemicals Limited- Non-Executive, Non-Independent Director
Smt. Gauri Kumar, IAS (Retd.) DIN: 01585999	Non-Executive, Independent -Woman Director	4 of 4	YES	-	4	2	3	1. Gujarat State Fertilizers & Chemicals Limited – Non Executive – Independent Director 2. Gujarat Mineral Development Corporation Limited - Non Executive – Independent Director 3. TVS Supply Chain Solutions Limited - Non Executive – Independent Director

Name of the Director	Category	Number of Board meetings attended during FY 2024-25	Atten-dance at last AGM	Number of Directorships in other Companies		Number of Committee positions held in other Companies		Directorship in other Listed Companies(Category of Directorship)
				Chairper-son	Member	Chairper-son	Member	
Prof. Ranjan Kumar Ghosh[7] DIN: 08551618	Non-Executive, Independent Director	4 of 4	YES	-	-	-	-	-
Shri Bhadresh Mehta DIN: 02625115	Non-Executive, Independent Director	4 of 4	YES	-	5	3	7	1. Gujarat State Petronet Limited Non-Executive - Independent Director 2. Gujarat Gas Limited. Non-Executive - Independent Director
Dr. N. Ravichandran DIN: 02065298	Non-Executive, Independent Director	3 of 4	YES	-	-	-	-	-
Prof. P K Sinha[8] DIN: 00484132	Non-Executive, Independent Director	4 of 4	NO	-	-	-	-	-
Shri Ajai Bahadur Khare[9] DIN: 07416463	Non-Executive, Independent Director	1 of 1	NA	-	-	-	-	-
Shri Pankaj Joshi, IAS[10] Managing Director DIN: 01532892	Executive Director	3 of 3	YES	-	-	-	-	-
Dr. T Natarajan, IAS[11] Managing Director DIN: 00396367	Executive Director	1 of 1	NA	1	8	-	2	1. Gujarat Alkalies & Chemicals Limited- Non-Executive, Non-Independent Director 2. Gujarat Gas Limited- Non-Executive, Non-Independent Director 3. Gujarat State Fertilizers & Chemicals Limited-Non-Executive, Non-Independent Director

1. Shri Raj Kumar, IAS ceased to be Director and Chairman of the Company consequent upon superannuation from Service of Government of Gujarat w.e.f. January 31, 2025.
2. Shri Pankaj Joshi, IAS was nominated and appointed as a Director and Chairman of the Company w.e.f. February 06, 2025 by the Govt. of Gujarat (GoG) vide its Letter No: MIS/11-2016/1765/E. Further, members approval was obtained for his appointment as a Director and Chairman of the Company through postal ballot completed on April 03, 2025.
3. Smt. Mamta Verma, IAS ceased to be a Director of the Company w.e.f. August 01, 2024 upon relinquishing the charge of the post of Principal Secretary, Energy & Petrochemicals Department, Government of Gujarat, she had tendered her resignation from Director of the Company.
4. Shri S. J. Haider, IAS was appointed as an additional Director of the Company w.e.f. August 13, 2024. Further, members approval was obtained for his apppointment as a Non Executive Director at 48th Annual General Meeting.
5. Shri J. P. Gupta, IAS ceased to be Director of the Company consequent upon relinquishing the charge from Finance Department, Government of Gujarat w.e.f August 05, 2024. He has tendered his resignation from Director of the Company.
6. Dr. T. Natarajan, IAS was appointed as an additional Director of the Company w.e.f. September 11, 2024. Further, members approval was obtained for his apppointment as a Non Executive Director at 48th Annual General Meeting.
7. Prof. Ranjan Kumar Ghosh (DIN: 08551618) was re-appointed as a Non Executive Independent Director for his Second (2nd) term w.e.f. September 09, 2024 thorugh members approval at 48th Annual General Meeting.
8. Prof. Piyushkumar Sinha ceased to be the Independent Director of the Company upon completion of his term on March 07, 2025.
9. Shri Ajai Bahadur Khare was appointed as an additional Director of the Company w.e.f. January 17, 2025. Further, members approval was obtained for his appointment as a Non Executive Independent Director of the Company through postal ballot completed on February 28, 2025.
10. Shri Pankaj Joshi, IAS ceased to be a Managing Director of the Company w.e.f. February 05, 2025 upon GoG Order No. AIS/45.2025/0776/G dated February 03, 2025. He has tendered his resignation from Managing Director of the Company.
11. Dr. T. Natarajan, IAS was appointed as a Managing Director of the Company w.e.f. February 05, 2025 upon GoG Order No. AIS/45.2025/0776/G dated February 03, 2025. Further, members approval was obtained for his appointment as a Managing Director of the Company through postal ballot completed on April 03, 2025.

None of the Directors on the Board is a Member of more than ten (10) Committees and Chairperson of more than five (5) Committees [Committees being Audit Committee and Stakeholders Relationship Committee as per Regulation 26(1) of the SEBI Listing Regulations] across all the listed entities in which he/she is a Director. All the Directors have made the requisite disclosures regarding committee positions held by them in other companies.

None of the Directors hold office in more than ten (10) public limited companies as prescribed under Section 165(1) of the Act. No Director holds Directorships in more than seven (7) listed companies. None of the Non-Executive Directors serve as an Independent Director in more than seven (7) listed companies as required under the SEBI Listing Regulations. Further, the Managing Director does not serve as an Independent Director in any listed company.

EQUITY SHARES HELD IN THE COMPANY BY NON-EXECUTIVE DIRECTORS

Shri Bhadresh Mehta, Independent Director, holds 75 equity shares in the Company as a joint holder with Dr. Jaina Bhadresh Mehta (wife) as on March 31, 2025. None of the other Non-Executive Directors held the Company's equity shares as on March 31, 2025. The Company has not issued any convertible instruments. The Company has not granted any Stock Options to its Directors.

KEY SKILLS, EXPERTISE, AND COMPETENCIES OF THE BOARD OF DIRECTORS

The Board of Directors of the Company is adequately structured to ensure a high degree of diversity by age, education/qualifications, professional background, sector expertise and special skills. Based on the recommendations of Nomination & Remuneration Committee, the Board of Directors has identified the following core skills/expertise/competencies as required in the context of businesses and sectors of the Company for its effective functioning and the same is mapped against each of the Directors:

Core Skills / Competencies / Expertise

Name of the Director	Knowledge	Behavioral Skills	Strategic thinking and decision making	Financial Skills	Technical / Professional skills	Specialized knowledge to assist the ongoing aspects of the business
Shri Pankaj Joshi, IAS	✓	✓	✓	✓	✓	✓
Shri Kamal Dayani, IAS	✓	✓	✓	✓	✓	✓
Shri S. J. Haider, IAS	✓	✓	✓	✓	✓	✓
Smt. Gauri Kumar, IAS (Retd.)	✓	✓	✓	✓	✓	✓
Prof. Ranjan Kumar Ghosh	✓	✓	✓	✓	✓	✓
Shri Bhadresh Mehta	✓	✓	✓	✓	✓	✓
Dr. N. Ravichandran	✓	✓	✓	✓	✓	✓
Shri Ajai Bahadur Khare	✓	✓	✓	✓	✓	✓
Dr. T. Natarajan, IAS	✓	✓	✓	✓	✓	✓

Eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses requisite skill sets identified by the Board as above and whether the person is a proven leader in running a business that is relevant to the Company's business or is a proven academician in the field relevant to the Company's business. The Directors so appointed are drawn from diverse backgrounds and possess special skills with regard to the industries / fields from where they come.

BOARD PROCEDURE

The Company Secretary tracks and monitors the Board and its Committees proceedings to ensure that decisions are properly recorded in the minutes and actions on the decisions are tracked. The terms of reference/charters are amended and updated from time to time in order to keep the functions and role of the Board and its Committees at par with the changing statutes. Meeting effectiveness is ensured through a detailed agenda, circulation of material in advance and as per statutory timelines, detailed presentations at the Meetings and tracking of action taken reports at every Meeting. Additionally, based on the agenda, Meetings are attended by Members of the senior leadership as invitees, which bring in the requisite accountability and also provide developmental inputs.

The Board plays a critical role in the strategy development of the Company. To enable the Board to discharge its responsibilities effectively and take informed decisions, the Managing Director apprises the Board on the overall performance of the Company every quarter. Amongst other things, the Board also reviews the compliance reports of the laws applicable to the Company, internal financial controls and financial reporting systems, adoption of quarterly/half-yearly/annual results, and minutes of the Meetings of the Committees of the Board. In addition to the information required under Regulation 17(7) read with Part A of Schedule II to the SEBI Listing Regulations, which is required to be placed before the Board, the Directors are also kept informed of major events.

INDEPENDENT DIRECTORS

Independent Directors play a pivotal role in reinforcing corporate governance by providing oversight on internal controls, financial reporting, and risk management. Their independent judgment and strategic counsel enhance transparency and accountability, thereby contributing to the Company's long-term value creation and sustainability. By bringing an objective perspective to Board deliberations, they help balance economic, individual, and social interests, ensuring that business decisions are aligned with ethical standards and stakeholder expectations.

As on date, the Company has five (5) Non-Executive Independent Directors, constituting more than half of the total Board strength. Their appointments are in accordance with the provisions of the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Nomination and Remuneration Committee (NRC) plays a key role in identifying suitable candidates for appointment as Independent Directors. This is done through a well-defined process that considers criteria such as integrity, expertise, experience, and board diversity in terms of skills and backgrounds. Based on its assessment, the NRC recommends the candidates to the Board for approval.

CONFIRMATION OF INDEPENDENCE

The Company has received a declaration from the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

In the opinion of the Board, the Independent Directors fulfil the conditions of independence specified in the Act and the SEBI Listing Regulations and are independent of the Management.

Further, the Independent Directors have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA').

MEETING OF INDEPENDENT DIRECTORS

During the year under review, one (1) Meeting of the Independent Directors of the Company was held on February 13, 2025, as required under Schedule IV to the Act ('Code for Independent Directors') and Regulation 25(3) of the SEBI Listing Regulations. At their Meeting, the Independent Directors reviewed the performance of Non- Independent Directors and the Board as a whole including the Chairman of the Board after taking the views of Executive and Non-Executive Directors and also assessed the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Meeting was attended by all the Independent Directors as on that date, except for Prof. Piyush Kumar Sinha. The Meeting was chaired by Smt. Gauri Kumar, IAS (Retd.)

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

All the Independent Directors of the Company have been appointed as per the provisions of the Act and the SEBI Listing Regulations. Formal letters of appointment are issued to the Independent Directors after their appointment by the Members. As required by Regulation 46 of the SEBI Listing Regulations, the terms and conditions of their appointment have been disclosed on the website of the Company at https://www.gnfc.in/wp-content/uploads/2025/03/Terms-Conditions-of-Appointment-of-Independent-Directors.pdf.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

A system is in place to familiarize the Independent Directors about the Company by providing a Director's pact covering the details about the Company as follows:

Sr. No.	Particulars
1	Operational and financial highlights.
2	Various Plants with installed capacity and products manufactured by the Company.
3	CSR Projects / Activities.
4	Their role, rights, and responsibilities as per the Act, Rules and the SEBI Listing Regulations.
5	Nature of industry in which the Company operates.
6	Business model of the Company.

An induction kit is provided to new Directors which includes the Annual Report, overview of the Code of Conduct for Board of Directors & Senior Management, Code of Conduct for Prevention of Insider Trading and Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information.

Pursuant to Regulation 25(7) of the SEBI Listing Regulations, the Company imparted familiarisation programmes to its Directors including review of long-term strategy, industry outlook, regulatory updates at the Board and Committee Meetings. Besides the above, presentation on Risk Management, CSR, Safety and Sustainability initiatives, HR Strategy and Succession planning, etc. are made at the respective Committee Meetings where some of the Independent Directors are also Members. While considering quarterly and Annual Financial Results, a presentation is made to the Audit Committee and to the Board of Directors, inter-alia, covering Operational and Financial performance of the Company.

The familiarization program is disclosed on the Company's Website and can be accessed at web link – https://www.gnfc.in/wp-content/uploads/2025/02/Familarisation-of-IDs_GNFC_New_Cumulative-Basis_24-25.pdf

DISCLOSURE REGARDING APPOINTMENT / REAPPOINTMENT OF DIRECTOR(S)

As required under Regulation 36(3) of the SEBI Listing Regulations and revised Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India, particulars of the Directors seeking re-appointment are given in the Notice of the AGM which forms part of this Annual Report.

COMMITTEES OF THE BOARD

The Committees constituted by the Board play an important role on the governance structure of the Company. The Committees are constituted and function in line with the applicable provisions of the Act, Rules, and the SEBI Listing Regulations, as amended. The minutes of the Committee Meetings are tabled at the next Board Meeting.

A. AUDIT COMMITTEE

CONSTITUTION & COMPOSITION

Audit Committee seeks to ensure better Corporate Governance and provides assistance to the Board of Directors in fulfilling its overall responsibilities. Audit Committee is constituted in accordance with Regulation 18 of the SEBI Listing Regulations, read with Section 177 of the Act.

The Audit Committee's role is to assist the Board in overseeing the governance function and responsibilities in relation to the Company's financial reporting process carried out by the Management, internal control system, risk management system and internal and external audit functions.

Audit Committee presently comprises Five (5) Directors viz.

Name	Role in the Committee	Category
Shri Bhadresh Mehta	Chairman	Non-Executive Independent Director.
Smt. Gauri Kumar, IAS (Retd.)	Member	Non-Executive Independent Director.
Prof. Ranjan Kumar Ghosh	Member	Non-Executive Independent Director.
Dr. N. Ravichandran	Member	Non-Executive Independent Director.
Dr. T. Natarajan, IAS	Member	Managing Director.

- All Members possess good knowledge of finance and accounts.
- The Company Secretary acts as the Secretary to the Committee.

TERMS OF REFERENCE

The terms of reference of Audit committee are in line with the Regulation 18 of the SEBI Listing Regulations, read with Section 177 of the Act, which, inter-alia, include the followings:

i. Review of Quarterly and Annual Financial Statements with the Management before submission to the Board for approval;

ii. Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;

iii. Review of adequacy of Internal Control Systems and procedures;

iv. Evaluation of internal financial controls and Risk Management Systems;

v. Review of reports furnished by the Internal Auditors; and

vi. Reviewing the utilization of loans and / or advances from/investment by the holding company in the subsidiary exceeding ₹ 100.00 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.

vii. Review of management discussion and analysis of financial condition and results of operations.

NUMBER OF MEETINGS

During FY 2024-25, Four (4) Meetings of the Audit Committee were held with a time-gap of not more than 120 days between any two Meetings. The details of said Meetings were held are as follows:

Sr. No.	Date of Meeting	Day on which the Meeting was held	Deemed Venue	Mode
1	May 27, 2024.	Monday.	Board Room at GIFT City Office of the Company,14 Floor, GIFT One Tower, Road 5-C, Zone-5, Gandhinagar-382010	Through Video Conferencing / Other Audio Video
2	August 12, 2024.	Monday.		
3	November 12, 2024.	Tuesday.		
4	February 13, 2025.	Thursday.	Committee Room, Finance Department, Block No. 4, 5th Floor, New Sachivalaya, Gandhinagar - 382010	

Requisite Quorum was present for all the Meetings.

ATTENDANCE AT THE MEETINGS

Attendance of Members at the Committee Meeting(s) held during FY 2024-25.

Sr. No.	Member	No. of Meetings held during the tenure of Membership	No. of Meetings Attended
1	Shri Bhadresh Mehta	4	4
2	Smt. Gauri Kumar, IAS (Retd.)	4	4
3	Prof. Ranjan Kumar Ghosh	4	4
4	Shri J P Gupta, IAS[1]	1	1
5	Dr. N. Ravichandran	4	2
6	Prof. Piyushkumar Sinha[2]	4	3
7	Shri Pankaj Joshi, IAS[3]	3	3
8	Dr. T. Natarajan, IAS[4]	1	1

1 Shri J P Gupta, IAS ceased to be a Member of the Committee with effect from August 05, 2024.

2 Prof. Piyushkumar Sinha ceased to be a Member of the Committee with effect from March 07, 2025.

3 Shri Pankaj Joshi, IAS ceased to be a Member of the Committee with effect from February 05, 2025.

4 Dr. T. Natarajan, IAS was inducted as a Member of the Committee with effect from February 05, 2025.

Shri Bhadresh Mehta, Chairman of Audit Committee remained present at the 48th AGM of the Company held on September 20, 2024.

The Statutory Auditors, Internal Auditors, and Senior Management Personnel attend the meetings by invitation. The Cost Auditor attends the meeting by invitation as and when the Cost Audit Report is discussed.

The recommendations of the Audit Committee are placed before the Board for its consideration and approval.

B. NOMINATION AND REMUNERATION COMMITTEE

CONSTITUTION & COMPOSITION

The Board has constituted Nomination and Remuneration Committee ('NRC') in compliance with Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations. This Committee presently comprises Five (5) Directors viz.

The role of the NRC is to oversee the selection of Directors and Senior Management based on criteria related to the specific requirement of expertise and independence. The NRC evaluates the performance of Directors and Senior Management based on the expected performance criteria. The NRC also recommends to the Board the remuneration payable to Directors and Senior Management of the Company.

Name	Role in the Committee	Category
Smt. Gauri Kumar, IAS (Retd.)	Chaiperson	Non-Executive Independent Director.
Prof. Ranjan Kumar Ghosh	Member	Non-Executive Independent Director.
Shri S. J. Haider, IAS	Member	Non-Executive Non-Independent Director.
Shri Bhadresh Mehta	Member	Non-Executive Independent Director.
Dr. N. Ravichandran	Member	Non-Executive Independent Director.

- The Company Secretary acts as Secretary to the Committee.

TERMS OF REFERENCE

The terms of reference of Nomination and Remuneration Committee are in line with Regulation 19 of the SEBI Listing Regulations, read with Section 178 of the Companies Act,2013 which, inter-alia, include the following:

(i) Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board for their appointment and removal;

(ii) Formulation of criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees;

(iii) For every appointment of an Independent Director, the Nomination and Remuneration Committee evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

   (a) use the services of an external agencies, if required;

   (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and

   (c) consider the time commitments of the candidates.

(iv) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

(v) devising a policy on diversity of board of directors;

(vi) Recommend to the board, all remuneration, in whatever form, payable to senior management. Senior management includes core management team one level below the Board of Directors, functional heads, and the key managerial personnels, other than the board of directors.

NUMBER OF MEETINGS

During FY 2024-25, Two (2) Meeting of the Committee was held and the details for the same are as follows:

Sr. No.	Date of Meeting	Day on which the Meeting was held	Deemed Venue	Mode
1	May 28, 2024.	Tuesday.	Board Room at GIFT City Office of the Company,14 Floor, GIFT One Tower, Road 5-C, Zone-5, Gandhinagar-382010	Through Video Conferencing / Other Audio Video
2	February 13, 2025	Thursday.	Committee Room, Finance Department, Block No. 4, 5th Floor, New Sachivalaya, Gandhinagar- 382010	

Requisite Quorum was present for all the Meetings.

ATTENDANCE AT THE MEETINGS

Attendance of Members at the Nomination & Remuneration Committee Meeting(s) held during FY 2024-25.

Sr. No.	Member	No. of Meetings held during the tenure of Membership	No. of Meetings Attended
1	Smt. Gauri Kumar, IAS (Retd.)	2	2
2	Prof. Ranjan Kumar Ghosh	2	2
3	Smt. Mamta Verma, IAS[1]	1	1
4	Shri S. J. Haider, IAS[2]	1	1
5	Shri Bhadresh Mehta	2	2
6	Dr. N. Ravichandran	2	1
7	Prof. Piyushkumar Sinha[3]	2	1

1 Smt. Mamta Verma, IAS ceased to be a Member of the Committee with effect from August 01, 2024;
2 Shri S. J. Haider, IAS was inducted as a Member of the Committee with effect from November 13, 2024;
3 Prof. Piyushkumar Sinha ceased to be a Member of the Committee with effect from March 07, 2025.

REMUNERATION OF DIRECTORS / KEY MANAGERIAL PERSONNEL / SR. MANAGEMENT PERSONNEL AND PERFORMANCE EVALUATION OF DIRECTORS

The Board has approved “Nomination, Remuneration & Evaluation Policy” based on the recommendations of the Nomination & Remuneration Committee. The said Policy, inter alia, deals with composition and functioning of Nomination & Remuneration Committee, procedure for selection and appointment of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel (SMP), remuneration to Directors, KMP and SMP, performance evaluation of Directors, Board Diversity and criteria for performance evalution of Directors.

The Company has in place various grades for the purpose of remuneration to its employees including Senior Executives. KMP and SMP draw the remuneration of their respective grade and as per the terms and conditions of their appointment.

DETAILS OF REMUNERATION PAID TO DIRECTORS

MANAGING DIRECTOR

In exercise of the powers vested under Article 136 of the Articles of Association of the Company (AoA), Shri Pankaj Joshi, IAS, who is presently designated as Chief Secretary to the Chief Minister – Gujarat, held the additional charge of Managing Director of the Company up to February 5, 2025. Subsequently, Dr. T. Natarajan, IAS who is presently designated as Principal Secretary to Government, Finance Department assumed the additional charge of Managing Director w.e.f. February 5, 2025.

No remuneration has been paid to Dr. T. Natarajan, IAS for holding the said charge. Payment of Special Pay/Charge Allowance, if any to be paid, will be subject to the ceiling not exceeding the limit specified in Schedule V of the Act.

The remuneration payable to the Managing Director is decided by the GoG. Such remuneration is fixed as per the Government Rules / Norms and is not linked with the performance criteria of the Company.

NON-EXECUTIVE DIRECTORS

Sitting Fees of ₹ 20,000/- is paid to the Non-Executive Independent Directors as well as Non-Executive Non-Independent Directors for attending each Meeting of the Board or Committee thereof plus incidental expenses of ₹ 4,000/- per day for attending such Meetings.

Details of Sitting Fees paid to Non-Executive Directors during FY 2024-25.

Director	Sitting Fees Paid (in ₹)
Shri Raj Kumar, IAS*	57,500
Shri Pankaj Joshi, IAS*	20,000
Shri Kamal Dayani, IAS*	97,500
Smt. Mamta Verma, IAS*	90,000
Shri S. J. Haider, IAS*	1,20,000
Shri J P Gupta, IAS*	52,500
Dr. T. Natarajan, IAS*	40,000
Smt. Gauri Kumar, IAS (Retd.)	3,32,500
Prof. Ranjan Kumar Ghosh	5,07,500
Shri Bhadresh Mehta	3,70,000
Dr. N Ravichandran	2,97,500
Prof. Piyushkumar Sinha	3,52,500
Shri Ajai Bahadur Khare	40,000

* Amount deposited in Government Treasury.

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

The entire Board carried out evaluation of an Independent Director in the same way as it is done for other Directors of the Company keeping in view the role and responsibility of Independent Directors as mentioned in Schedule – IV to the Act. The interested Director has not participated in the evaluation/s.

Independent Directors were also evaluated on the following parameters:

(i) Exercise of objective independent judgment in the best interest of the Company.

(ii) Ability to contribute to and monitor Corporate Governance practices.

(iii) Adherence to the Code of Conduct for Independent Directors.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

CONSTITUTION & COMPOSITION

The Stakeholders Relationship Committee was constitued in compliance with Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations. This Committee presently comprises Three (3) Directors viz.

The Stakeholders Relationship Committee ('SRC') looks into various aspects of interest of shareholders. The Committee ensures cordial investor relations and oversees the mechanism for redressal of investors' grievances.

Name	Role in the Committee	Category
Prof. Ranjan Kumar Ghosh	Chairman	Non-Executive Independent Director.
Shri S. J. Haider, IAS	Member	Non-Executive Non-Independent Director.
Dr. T. Natarajan, IAS	Member	Managing Director.

- The Company Secretary acts as the Secretary to the Committee.

TERMS OF REFERENCE

The terms of reference of the Committee, inter alia, include –

(i) 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.

(ii) Review of measures taken for effective exercise of voting rights by shareholders.

(iii) Review of adherence to the service standards adopted by the Company in respect of various services being rendered as Registrar & Share Transfer Agent.

(iv) Review of 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.

NUMBER OF MEETINGS

During FY 2024-25, Nine (9) meetings of the Committee were held. Dates on which the said Meetings were held are as follows:

Sr. No.	Date of Meeting	Day on which the Meeting was held	Deemed Venue
1	May 10, 2024.	Friday.	Board Room, GNFC Info. Tower, 3rd Floor, S.G. Road, Bodakdev, Ahmedabad.
2	June 18, 2024.	Tuesday.	
3	July 31, 2024.	Wednesday.	
4	September 03, 2024.	Tuesday.	
5	October 07, 2024.	Monday.	
6	November 08, 2024.	Friday.	
7	December 10, 2024.	Tuesday.	
8	January 23, 2025.	Thursday.	
9	March 04, 2025.	Tuesday.	

Requisite Quorum was present for all the Meetings.

ATTENDANCE AT THE MEETINGS

Attendance of Members at the Stakeholders' Relationship Committee Meeting(s) held during FY 2024-25.

Sr. No.	Name of Member	No. of Meetings held during the tenure of Membership	No. of Meetings Attended
1	Prof. Ranjan Kumar Ghosh	9	9
2	Smt. Mamta Verma, IAS[1]	3	3
3	Shri S. J. Haider, IAS[2]	3	3
4	Shri Pankaj Joshi, IAS[3]	8	8
5	Dr. T. Natarajan, IAS[4]	1	1
6	Prof.Piyuskumar Sinha[5]	6	6

1 Smt. Mamta Verma, IAS ceased to be a Member of the Committee with effect from August 01, 2024;

2 Shri S. J. Haider, IAS was inducted as a Member of the Committee with effect from November 13, 2024;

3 Shri Pankaj Joshi, IAS ceased to be member of the Committee with effect from February 05, 2025;

4 Dr. T. Natarajan, IAS, was inducted as a Member of the Committee with effect from February 5, 2025.;

5 Prof. Piyushkumar Sinha was inducted as a Member of the Committee with effect from August 13, 2024 and ceased to be a Member of the Committee with effect from March 7, 2025.

COMPLIANCE OFFICER

- Ms. Chetna Dharajiya, Company Secretary was the Compliance Officer of the Company for complying with the requirements of the SEBI Listing Regulations, 2015 and of the SEBI (Prohibition of Insider Trading) Regulations, 2015. She resigned from the position of Company Secretary and Compliance Officer with effect from March 26, 2025**.**
- Mr. Rajesh Pillai**,** a qualified Company Secretary, was appointed as the Company Secretary and Compliance Officer of the Company with effect from May 23, 2025**.**

INVESTORS' GRIEVANCE REDRESSAL

Status of Investor Complaints as on March 31, 2025, as reported under Regulation 13(3) of the SEBI Listing Regulations is as follows:

Complaints pending as on April 01, 2024.	0
Received during the year.	91
Resolved during the year.	91
Pending as on March 31, 2025.	0

The complaints have been resolved to the satisfaction of the shareholders. The correspondence identified as investor complaints are letters/emails received through statutory/regulatory bodies.

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

CONSTITUTION & COMPOSITION

The Corporate Social Responsibility Committee (CSR Committee) was constituted in compliance with Section 135 and Schedule-VII to the Act. This Committee presently comprises of Five (5) Directors viz. –

Name	Role in the Committee	Category
Smt. Gauri Kumar, IAS (Retd.)	Chairperson	Non-Executive Independent Director.
Prof. Ranjan Kumar Ghosh	Member	Non-Executive Independent Director.
Shri Bhadresh Mehta	Member	Non-Executive Independent Director.
Dr. N. Ravichandran	Member	Non-Executive Independent Director.
Dr. T. Natarajan, IAS	Member	Managing Director.

- The Company Secretary acts as the Secretary to the Committee.

TERMS OF REFERENCE

The terms of reference of the Committee as per section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy), Rules, 2014 inter alia, include –

(i) Formulation and recommendation to the Board a CSR Policy indicating CSR projects / programs / activities to be undertaken falling within the purview of Schedule-VII to the Act;

(ii) Developing the process of monitoring CSR projects / programs / activities stated in CSR Policy from time to time; and

(iii) Ensuring that the Company spends on CSR Activities, in every financial year, at least 2% of the average Net Profits made during the three immediately preceding financial years in pursuance of its CSR Policy.

NUMBERS OF MEETINGS & ATTENDANCE

During FY 2024-25, Three (3) Meetings of the Committee were held. Dates on which the said Meetings were held are as follows:

Sr. No.	Date of Meeting	Day on which the Meeting was held	Deemed Venue
1	August 02, 2024.	Friday.	Board Room at GIFT City Office of the Company,14 Floor, GIFT One Tower, Road 5-C, Zone-5, Gandhinagar-382010 Through Video Conferencing / Other Audio Video Mode.
2	November 07, 2024.	Thursday.	
3	March 21, 2025.	Friday.	Place of meeting is committee room, Finance Department, Block no. 4, 5th floor, Near Sachivalaya, Gandhinagar - 382010

Requisite quorum was present for all the meetings.

ATTENDANCE AT THE MEETINGS

Attendance of Members at the Corporate Social Responsibility Committee Meeting(s) held during FY 2024-25.

Sr. No.	Name of Member	No. of Meetings held during the tenure of Membership	No. of Meetings Attended
1	Smt. Gauri Kumar, IAS (Retd.)	3	3
2	Prof. Ranjan Kumar Ghosh	3	3
3	Shri Bhadresh Mehta	3	3
4	Dr. N. Ravichandran	3	3
5	Prof. Piyushkumar Sinha[1]	2	2
6	Shri Pankaj Joshi, IAS[2]	2	2
7	Dr. T. Natarajan, IAS[3]	1	1

1 Prof. Piyuskumar Sinha ceased to be a Member of the Committee with effect from March 07, 2025;

2 Shri Pankaj Joshi, IAS ceased to be a Member of the Committee with effect from February 05, 2025;

3 Dr. T. Natarajan, IAS was inducted as a Member of the Committee with effect from February 05, 2025.

E. RISK MANAGEMENT COMMITTEE

CONSTITUTION & COMPOSITION

Risk Managment Committee was constitued in compliance with the amended Regulation 21 of the SEBI Listing Regulations. This Committee presently comprises of following Six (6) Members viz.

The role of the Risk Management Committee (‘RMC’) is to assist the Board of Directors in overseeing the Company’s risk management processes and controls. The RMC, through the Enterprise Risk Management in the Company, seeks to minimise adverse impact on the business objectives and enhance stakeholder value. The Company has appointed a Chief Risk Officer to oversee the Risk Management function of the Company.

Name	Role in the Committee	Category
Prof. Ranjan Kumar Ghosh	Chairman	Non-Executive Independent Director.
Smt. Gauri Kumar, IAS (Retd.)	Member	Non-Executive Independent Director.
Shri Bhadresh Mehta	Member	Non-Executive Independent Director.
Dr. N. Ravichandran	Member	Non-Executive Independent Director.
Dr. T. Natarajan, IAS	Member	Managing Director.
Shri D.V.Parikh	Member	ED & CFO.

- The Company Secretary also acts as the Secretary to the Committee.

TERMS OF REFERENCE

The terms of reference of Risk Managment Committee are in line with the Regulation 21 of the SEBI Listing Regulations, which, inter-alia, include the following

(i) To formulate a detailed risk management policy.

(ii) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.

(iii) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.

(iv) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.

(v) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.

(vi) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

NUMBER OF MEETINGS AND ATTENDANCE

During FY 2024-25, Two (2) Meetings of the Committee were held. Dates on which the said Meetings were held are as follows:

Sr. No.	Date of Meeting	Day on which the Meeting was held	Deemed Venue
1	September 26, 2024.	Thursday.	Board Room at GIFT City Office of the Company, 14 Floor, GIFT One Tower, Road 5-C, Zone-5, Gandhinagar-382010 Through Video Conferencing / Other Audio Video Mode.
2	March 18, 2025.	Tuesday.	Place of meeting is committee room, Finance Department, Block no. 4, 5th floor, Near Sachivalaya, Gandhinagar-382010

Requisite Quorum was present for all the meetings.

ATTENDANCE AT THE MEETINGS

Attendance of Members at the Risk Management Committee Meeting(s) held during FY 2024-25.

Sr. No.	Name of Member	No. of Meetings held during the tenure of Membership	No. of Meetings Attended
1	Prof. Ranjan Kumar Ghosh	2	2
2	Smt. Gauri Kumar, IAS (Retd.)	2	2
3	Shri Bhadresh Mehta	2	2
4	Dr. N. Ravichandran	2	2
5	Prof. Piyushkumar Sinha[1]	1	1
6	Shri Pankaj Joshi, IAS[2]	1	1
7	Dr. T. Natarajan, IAS[3]	1	1
8	Shri D. V. Parikh	2	2
9	Shri A. C. Shah[4]	0	0
10	Ms. Chetna Dharajiya[5]	2	2

1 Prof. Piyushkumar Sinha ceased to be a Member of the Committee with effect from March 07, 2025

2 Shri Pankaj Joshi, IAS ceased to be a Member of the Committee with effect from February 05, 2025;

3 Dr. T. Natarajan, IAS was inducted as a Member of the Committee with effect from February 05, 2025;

4 Shri A. C. Shah ceased to be a Member of the Committee with effect from May 31, 2024.

5 Ms. Chetna Dharajiya was inducted as a Member of the Committee with effect from August 13, 2024, and ceased to be a Member of the Committee with effect from March 26, 2025.

Particulars of the Senior Management and changes thereof

Name of Senior Management Personnel	Designation	Department	Changes/ Remarks
Dilipkumar Vinodchandra Parikh	Executive Director and Chief Financial Officer	Finance and n(Code) Division	No change during the year
Yogesh Nagajibhai Patel	HOD(O&M)-	Operations & Maintenance, Business Strategy Development, Projects and Medical Services	No change during the year. On extension after retirement during the entire period.
Murtaza Ismail Shamsi	Executive Director	O&M of Nitrophosphate, ECU, ISO, Instrumentation, Fire & Safety, R&D, Laboratory, Neem Complex, CSR	Promoted as ED w.e.f. 01/04/2024
Nitin Nanjibhai Patel	Executive Director	D&C, Technical Services, Civil(M), ISD & Telecomm, Inspection, Operation of Ammonia, ASGP & SGGU	Promoted as ED w.e.f. 01/04/2024
Hemendra Rameshchandra Kikani	General Manager	Business And Strategy Development	Retired on 30/06/2024
Satish Chandulal Mehta	General Manager (HR)	Human Resources, PR&A, TAO, Guest House, Admin, Security, Training Centre	Joined on 01/02/2025

Jagdish Hiralal Thakkar	General Manager	Project Group	Retired on 30/06/2024 and on extension after retirement w.e.f. 19/07/2024
Piyush Kishorkant Mankad	General Manager	BSD, Administration, Training Centre, TAO, Guest House, Security Services HR & PR&A	Retired on 28/02/2025
Pankaj Kanaiyalal Purohit	General Manager	Operations of S&PG, CPSU, Urea & Bagging Plant, S&R Club	No change during the year
Shardul Narendra Vora	General Manager	Mechanical Maintenance of Ammonia, ASGP, SGGU, IP Group, CMG, S&PG, Central Mechanical Workshop & Electrical	Retired on 30/09/2024 and on extension after retirement w.e.f. 03/10/2024
Shailesh Munendra Bhatnagar	General Manager	Maintenance of Nito.Phos., D.M., Splare Planning Group, Mech. Maint. ANI-TDI	Promoted as GM w.e.f. 01/04/2024, retired on 31/03/2025 and on extension after retirement w.e.f. 02/04/2025
Ashwin Chimanlal Shah	Company Secretary & General Manager (Legal)	Secretarial & Legal	Completion of contract w.e.f. 31/05/2024
Kaushikkumar Harishbhai Patel	General Manager	TDI-II, Process	Completion of contract w.e.f. 31/03/2025
Pankaj Kanaiyalal Sanadhya	General Manager	Human Resources, Public Relations & Advertising, CSR	Conclusion of Contract w.e.f. 30/06/2024
Manish Chandra Prakash Billore	Additional General Manager	Fertilizers Marketing , Delhi Guest House	Conclusion of Contract w.e.f. 08/06/2024
Bhavesh Chhaganbhai Merja	Additional General Manager	Materials Management, Mumbai Office	No Change during the year
Tejas Arvindbhai Shah	Additional General Manager	Mktg. (IP)	No Change during the year
Vishwanath Vaijinath Biradar	Additional General Manager	Fertilizer Marketing, NEEM FMCG, D&T, Delhi Office & ASD	Joined on 16/12/2024
Darshak Dilipray Vaishnav	Additional General Manager	O&M of TDI-II plant, including Civil, Electrical and Instrument Maintenance Of TDI-II, Dahej	No Change during the year
Rikesh Ishwarbhai Patel	Chief Manager	Secretarial & Legal	No Change during the year
Chetna Prabhatkumar Dharajiya	Chief Manager	Secretarial & Legal	Joined on 18/04/2024 & resiged w.e.f. 26/03/2025
Manish Mulshanker Upadhyay	Additional General Manager	Mktg. (IP)	Completion of Contract w.e.f. 28/02/2025

SUBSIDIARY COMPANY

The Company has no Subsidiary Company for the FY 2024-25.

GENERAL BODY MEETINGS

(a) ANNUAL GENERAL MEETING (AGM)

The date and time of AGMs held during last three years and the Special Resolutions passed thereat are as follows:

Year	Day, Date and Time	Venue	Special Resolution Passed
2023-24	Friday, September 20, 2024 at 3:00 PM	Through Video Conferencing / Other Audio Video Mode Deemed Venue: Registered Office of the Company, at the Board Room, P.O.: Narmadanagar - 392 015, District: Bharuch.	1. Re-appointment of Prof. Ranjan Kumar Ghosh (DIN: 08551618) as an Independent Non-Executive Director of the Company
2022-23	Tuesday, September 26, 2023 at 3:00 PM		1. Payment of remuneration as per the terms and conditions of appointment, Shri Vipul Mittra, IAS Chairman.
2021-22	Tuesday, September 27, 2022 at 3:30 PM		1. Appointment of Shri Bhadresh Mehta (DIN: 02625115) as an Independent Director of the Company. 2. Appointment of Dr. N. Ravichandran (DIN: 02065298) as an Independent Director of the Company.

All the resolutions moved at the last Annual General Meeting were passed with requisite majority.

(b) EXTRA-ORDINARY GENERAL MEETING

No Extra-ordinary General Meeting of Members was held during FY 2024-25.

POSTAL BALLOT

During January 2025, the Company had sent a Notice to the Members proposing to pass a Special Resolution through Postal Ballot:

SPECIAL RESOLUTION:

Sr. No.	Particulars of Resolution
1	Appointment of Shri Ajai Bahadur Khare (DIN: 07416463) as an Independent Non-Executive Director of the Company

RESULT OF VOTING THROUGH POSTAL BALLOT BY REMOTE E-VOTING:

Votes Cast	Number of Members	Number of Votes	% of total No. of valid votes cast
In favor	749	9,42,06,022	99.99
Against	66	8,593	0.0091

During March 2025, the Company had sent a Notice to the Members proposing to pass a Ordinary Resolution through Postal Ballot:

ORDINARY RESOLUTION:

Sr. No.	Particulars of Resolution
1	Change in designation and appointment of Dr. T. Natarajan, IAS (DIN: 00396367) as Managing Director of the Company
2	Appointment of Shri Pankaj Joshi, IAS (DIN: 01532892) as Director and Chairman of the Company

RESULT OF VOTING THROUGH POSTAL BALLOT BY REMOTE E-VOTING:

Votes Cast	Number of Members	Number of Votes	% of total No. of valid votes cast
In favor	603	9,02,23,095	97.86
Against	93	19,67,983	2.13

PROCEDURE FOR POSTAL BALLOT:

A. Special Resolution passed for Appointment of Shri Ajai Bahadur Khare (DIN: 07416463) as an Independent Non-Executive Director of the Company.

Pursuant to the provisions of Section 110 of the Act read with Rule 22 of Companies (Management and Administration) Rules, 2014 (M&A Rules), as amended, the Company had issued Postal Ballot Notice dated January 17, 2025 to the Members, seeking their consent with respect to Appointment of Shri Ajai Bahadur Khare (DIN: 07416463) as an Independent Non-Executive Director of the Company. In compliance with the provisions of Sections 108, 110, and all other applicable provisions of the Act, read with the M&A Rules, the Company had provided a remote e-voting facility to all the Members of the Company.

The Company engaged the services of KFin Technologies Limited,Registrar and Share Transfer Agents (RTA) of the Company, for facilitating e-voting to enable the Members to cast their votes electronically. The Board of Directors had appointed CS J J Gandhi, Proprietor of J J Gandhi & Co., Practicing Company Secretaries, as the Scrutinizer for conducting the Postal Ballot through the e-voting process in a fair and transparent manner.The e-voting period commenced on Thursday, January 30, 2025, at 9:00 A.M. (IST) and ended on Friday, February 28, 2025, at 5:00 P.M. (IST). The cut-off date, for the purpose of determining the number of Members, was Friday, January 24, 2025. A newspaper advertisement, as required under the Act, was published in the Ahmedabad edition of “Business Standard” (English Newspaper) and Vadodara edition of “Loksatta Jansatta” (Gujarati Newspaper) on January 28, 2025.

The Scrutinizer, after the completion of scrutiny, submitted his report to Ms. Chetna Dharajiya, Company Secretary, who was duly authorised by the Chairperson to accept, acknowledge and countersign the Scrutinizer’s Report as well as declare the voting results in accordance with the provisions of the Act, the Rules framed thereunder and Secretarial Standard – 2, issued by the Institute of Company Secretaries of India.

The consolidated results of the voting by Postal Ballot and e-voting were announced on March 01, 2025. The results were also displayed on the Website of the Company at www.gnfc.in and on the Website of KFin Technologies Limited and can be access by clicking on https://www.kfintech.com/ and also communicated to BSE Limited (BSE), National Stock Exchange of India Limited (NSE).

B. Ordinary Resolution passed for (i) Change in designation and appointment of Dr. T. Natarajan, IAS (DIN: 00396367) as Managing Director of the Company; & (ii) Appointment of Shri Pankaj Joshi, IAS (DIN: 01532892) as Director and Chairman of the Company.

Pursuant to the provisions of Section 110 of the Act read with Rule 20 and 22 of Companies (Management and Administration) Rules, 2014 (M&A Rules), as amended, the Company had issued Postal Ballot Notice dated February 14, 2025 to the Members, seeking their consent with respect to (i) Change in designation and appointment of Dr. T. Natarajan, IAS (DIN: 00396367) as Managing Director of the Company; & (ii) Appointment of Shri Pankaj Joshi, IAS (DIN: 01532892) as Director and Chairman of the Company. In compliance with the provisions of Sections 108, 110, and all other applicable provisions of the Act read with the M&A Rules, the Company had provided remote e-voting facility to all the Members of the Company.

The Company engaged the services of KFin Technologies Limited, Registrar and Share Transfer Agents (RTA) of the Company for facilitating e-voting to enable the Members to cast their votes electronically. The Board of Directors had appointed CS J J Gandhi, Proprietor of J J Gandhi & Co., Practicing Company Secretaries, as the Scrutinizer for conducting the Postal Ballot through the e-voting process in a fair and transparent manner.The e-voting period commenced on Wednesday, March 05, 2024 at 9:00 A.M. (IST) and ended on Thursday, April 03, 2025 at 5:00 P.M. (IST). The cut-off date, for the purpose of determining the number of Members was Friday, February 28, 2025. A newspaper advertisement, as required under the Act, was published in the Ahmedabad edition of “Business Standard” (English Newspaper) and Vadodara edition of “Loksatta Jansatta” (Gujarati Newspaper) on March 03, 2025.

The Scrutinizer, after the completion of scrutiny, submitted his report to Mr. Rajesh Pillai, Company Secretary in charge, who was duly authorised by the Chairperson to accept, acknowledge and countersign the Scrutinizer’s Report as well as declare the voting results in accordance with the provisions of the Act, the Rules framed thereunder and Secretarial Standard – 2, issued by the Institute of Company Secretaries of India.

The consolidated results of the voting by Postal Ballot and e-voting were announced on April 05, 2025. The results were also displayed on the Website of the Company at www.gnfc.in and on the Website of KFin Technologies Limited at https://evoting.kfintech.com/ and also communicated to BSE Limited (BSE), National Stock Exchange of India Limited (NSE).

COMMUNICATION TO SHAREHOLDERS

Effective communication of information is an essential component of Corporate Governance. It is a process of sharing information, ideas, thoughts, opinions, and plans to all stakeholders, which promotes management-shareholder relations. The Company regularly interacts with shareholders through multiple channels of communication, such as:

Results Announcements	The Quarterly, Half yearly and Annual Results of the Company's performance are published in leading newspapers such as Business Standard, Indian Express, Sandesh and Gujarat Samachar.
Analyst/Investor Meets	The Chief Financial Officer and Sr. Executives of the Company hold quarterly briefs with analysts, shareholders and major stakeholders where the Company's performance is discussed.The official press releases, the presentation made to the institutional investors and analysts, audio/video recording and transcript of the calls with analysts for quarterly/half-yearly/ annual results are available on the Company's website at www.gnfc.in and uploaded on the website of NSE & BSE.
Annual Report and AGM	The Annual Report containing Audited Standalone and Consolidated Financial Statements together with Report of Board of Directors, Management Discussion and Analysis Report, Corporate Governance Report, Auditors Report, and other important information are circulated to the Members. In the AGM, the shareholders also interact with the Board and the Management.
Media Releases	All our news releases and presentations made at investor conferences and to analysts are hosted on the website of the Company.
Company's Website	The Company's website contains a dedicated section for Investors where Annual Reports, Quarterly and Annual Results, Stock Exchange filings, Press Releases, Quarterly Reports, and all Statutory Policies are available, apart from the details about the Company, Board of Directors and Management. The website also displays vital information relating to the Company and its performance, official press releases and presentation to analysts etc.
Designated Email Ids	For Investor: investor@gnfc.in
Stock Exchanges	All price sensitive information and matters that are material to shareholders are disclosed to the respective Stock Exchanges where the securities of the Company are listed. The Quarterly Results, Shareholding Pattern and all other corporate communication to the Stock Exchanges are filed through NSE Electronic Application Processing System (NEAPS), NSE Digital Exchange platform and BSE Listing Centre, for dissemination on their respective websites. The stock exchange filings are also made available on the website of the Company at www.gnfc.in
SCORES (SEBI Investor Grievance Redressal System)	SCORES platform of SEBI facilitates online filing of investor grievance and online view of the status. The Company endeavours to redress the grievance of the Investors as soon as it receives it from the SCORES platform.
Smart ODR (Online Dispute Resolution) Portal	Securities and Exchange Board of India ("**SEBI**"), has introduced a common Online Dispute Resolution Portal ("**ODR Portal**") to facilitate online conciliation and arbitration for resolution of disputes arising in the Indian securities market.

OTHER COMMUNICATION TO SHAREHOLDERS

- **FURNISHING OF PAN, KYC DETAILS AND NOMINATION DETAILS BY PHYSICAL SHAREHOLDERS**

  Communications are done at regular intervals to the physical shareholders for furnishing details of PAN, e-mail address, mobile number, bank account details and nomination details.

- **UPDATION OF DETAILS FOR DIVIDEND PAYMENT AND TDS**

  The Company voluntarily sends a official mail communication to all those shareholders whose email addresses were registered with the Company regarding TDS on dividend and requesting them to update their residential status and other details.

- **COMPANY'S WEBSITE**

  In order to make the corporate website user-friendly with a great communication mix and enable ease of navigation and better accessibility to the information, the Company has in place a corporate website wherein comprehensive information such as the Company's business and operations, policies, stock exchange intimations, press releases, etc. can be accessed. The '**Investors'** tab on the website provides information relating to financial performance, annual reports, corporate governance reports, general meetings, details of unclaimed dividend and shares transferred to IEPF, frequently asked questions and presentations made to analysts/investors. The proceedings of the 48th AGM held on September, 20, 2024 are also available on the Company's website at www.gnfc.in. Additionally, various downloadable forms required to be executed by the shareholders have also been provided on the Company's website.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

- **LETTERS AND REMINDERS TO SHAREHOLDERS FOR UNCLAIMED SHARES/DIVIDENDS**

  Pursuant to the provisions of the Act, the Company sends reminder letters to those shareholders whose unclaimed dividend/shares are liable to be transferred to the Investor Education and Protection Fund ('IEPF') account. In addition to the aforesaid statutory requirement, the Company sends a reminder to the shareholders who have not claimed their dividends, on an annual basis.

  The Company has uploaded the names of the Members and the details of the unclaimed dividend by the Members on its website at at https://www.gnfc.in/about-us/share-holders/information-regarding-transfer-of-shares-to-iepf-authority/.

  The Members may log in to find out details of dividends outstanding for any of the previous years.

  It may be noted that outstanding payments will be credited directly to the bank account of the shareholder, only if the folio is KYC compliant.

- **UNPAID / UNCLAIMED SHARES & DIVIDENDS**

  In accordance with the provisions of Sections 124 and 125 of Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules) dividends not encashed / claimed up to seven (07) consecutive years from the date of declaration are to be transferred to the Investor Education and Protection Fund (IEPF) Authority.

  The IEPF Rules mandate Companies to transfer Shares of Members whose dividends remain unpaid / unclaimed for a continuous period of seven years to the Demat account of the IEPF Authority. The Members whose dividend / shares are transferred to the IEPF Authority can claim their shares / dividend from the Authority. In accordance with the said IEPF Rules as amended, the Company had sent notices to all the Shareholders whose shares were due to be transferred to the IEPF Authority and simultaneously published notice in newspapers also.

  In terms of the provisions of IEPF Authority (Act., Audit, Transfer & Refund) Rules, 2014, ₹ 2,44,76,708 of upaid/unclaimed dividends and 1,61,904 shares were transferred during the FY 2024-25 to the IEPF Authority.

  The shareholders are advised to contact KFintech at einward.ris@kfintech.com and claim their dividend amount before due date of transfer to IEPF Authority. The unclaimed dividend for the below mentioned years and the corresponding shares will be transferred by the Company to IEPF in accordance with the schedule given below:

Financial Year	Dividend Identification No.	Date of Declaration of Dividend	Dividend per share (₹)	Due Date for transfer of shares and dividend to IEPF
2017-18	34th	September 29, 2018	7.50	November 03, 2025
2018-19	35th	September 26, 2019	7.00	October 31, 2026
2019-20	36th	September 29, 2020	5.00	November 03, 2027
2020-21	37th	September 23, 2021	8.00	November 28, 2028
2021-22	38th	September 27, 2022	10.00	November 01, 2029
2022-23	39th	September 26, 2023	30.00	October 31, 2030
2023-24	40th	September 20, 2024	16.50	October 25, 2031

- **CLAIM FROM IEPF AUTHORITY**

  The Members/Claimants, whose unclaimed dividends/ shares have been transferred to IEPF, may contact the Company or M/s. KFin Technologies Limited and submit the required documents for issue of Entitlement Letter. The Members/ Claimants can attach the Entitlement Letter and other documents mentioned thereon and file the IEPF-5 form for claiming the dividend/

shares available on https://www.iepf.gov.in. Link to e-Form IEPF-5 is also available on the website of the Company at https://www.gnfc.in. No claims shall lie against the Company in respect of the dividends/ shares so transferred.

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting

Day	:	Tuesday
Date	:	September 09, 2025
Time	:	03:00 PM
Venue	:	The AGM of the Company is being held through VC/OAVM. The deemed venue for the 49th AGM will be the Registered Office of the Company, at the Board Room, P.O.: Narmadanagar - 392 015, District: Bharuch.

Financial Year : April 01, 2024 to March 31, 2025.

Financial Calendar : (Tentative)

Results for the Quarter ending on	:	Announced / will be announced by
June 30, 2025.	:	August 06, 2025
September 30, 2025.	:	November 14, 2025*
December 31, 2025.	:	February 14, 2026*
March 31, 2026.	:	May 30, 2026*

*** These are indicative dates subject to change as per the MCA Circular(s) that may be issued from time to time.**

Books Closure

Closure of Register of Members and Share Transfer Books:

Wednesday, September 03, 2025 to Tuesday, September 09, 2025 (both days inclusive).

Dividend Payment Date : On or after September 11, 2025

LISTING :

Equity shares of the Company are presently listed with the following two Stock Exchanges:

1) **National Stock Exchange of India Limited (NSE).**

Exchange Plaza, 5th Floor, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051; and

2) **BSE Limited (BSE).**

PJ Towers, Dalal Street, Mumbai - 400 001.

LISTING FEES TO STOCK EXCHANGES

The Company has already paid Annual Listing Fees to NSE and BSE for the FY 2025-26.

CUSTODIAL FEES TO DEPOSITORIES

The Company has already paid Custodial Fees to National Securities Depository Limited (NSDL), and Central Depository Services (India) Limited (CDSL), for the FY 2025-26.

INVESTORS' SERVICES

The Company has appointed "M/s. KFin Technologies Limited", Hyderabad (SEBI Registration No. INR000000221) as its Registrar and Share Transfer Agent (RTA) for both the forms of Registry viz. Physical as well as Electronic Connectivity.

SHARE TRANSFER SYSTEM

All communications regarding share certificates, change of address, dividends, etc. should be addressed to the RTA.

According to the amended SEBI Listing Regulations, no shares can be transferred unless they are held in dematerialised mode. Members holding shares in physical form are therefore requested to convert their holdings into dematerialized mode to avoid loss of shares and fraudulent transactions and avail better investor servicing. Accordingly, only valid transmission or transposition cases may be processed by the RTA of the Company, subject to compliance with the guidelines prescribed by SEBI.

KFin Technologies Limited is the common Share Transfer Agent for both physical and dematerialised mode. Transfer of shares in electronic form were processed and approved by NSDL and CDSL through their Depository Participant without the involvement of the Company.

The SEBI vide its Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, has mandated that effective from April 01, 2019, transfer of securities would be carried out only in dematerialised form. Further, With effect from January 24, 2022, the SEBI has made it mandatory for listed companies to issue securities in Demat mode only while processing any investor service requests viz. issue of duplicate share certificates, exchange/sub-division/ splitting/consolidation of securities, transmission/ transposition of securities. Vide its Circular dated January 25, 2022, SEBI has clarified that listed entities/ RTAs shall now issue a Letter of Confirmation in lieu of the physical share certificate(s), to the securities holder/claimant within 30 days of its receipt aforesaid investor service request.

Further, the 'Letter of Confirmation' shall be valid for a period of 120 days from the date of its issuance, within which the securities holder/claimant shall make a request to the Depository Participant for dematerializing the said securities.

Additionally, the RTA / Issuer Companies shall issue a reminder after the end of 45 days and 90 days from the date of issuance of the Letter of Confirmation, informing the securities holder/claimant to submit the demat request as above, in case no such request has been received by the RTA / Issuer Company.

Upon failure to submit the demat request by the securities holder/claimant within the aforesaid period, the RTA / Issuer Companies shall credit the securities to the Suspense Escrow Demat Account of the Company.

SPECIAL WINDOW FOR RE-LODGEMENT OF TRANSFER REQUESTS OF PHYSICAL SHARES:

SEBI pursuant to its Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated July 02, 2025, has opened a special window, for a period of six months from July 07, 2025 till January 06, 2026, 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. Accordingly, such shareholders only, may refer to this Circular available on the website of the Company at https://www.gnfc.in/wp-content/uploads/2025/07/SEBI_Circular_02.07.2025.pdf and get in touch with the RTA "KFin Technologies Limited" or the Company and re-lodge their requests within the said special window. After following the due process, securities shall be issued only in demat mode.

SIMPLIFIED NORMS FOR PROCESSING INVESTOR SERVICE REQUEST

SEBI, vide its Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024 and Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024, mandated that the holders of physical securities whose folio(s) are not updated with the KYC details (any of the details viz., PAN; Choice of Nomination; Contact Details; Mobile Number and Bank Account Details and signature, if any) shall be eligible to

- lodge grievance or avail any investor service only after furnishing complete documents / details required for KYC and
- for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from April 01, 2024 only after furnishing the above mentioned KYC details.

  The concerned Members are therefore urged to furnish PAN, KYC and Nomination/ Opt out of Nomination forms duly filled and signed by sending a physical copy to the M/s. KFin Technologies Limited at Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad-500 032.

SECRETARIAL AUDIT

The Board of Directors has appointed J. J. Gandhi & Co (Firm Registration No. S1996GJ0118900), Practising Company Secretaries, to conduct secretarial audit of its records and documents for FY 2024-25. The Secretarial Audit Report confirms that the Company has complied with all applicable provisions of the Act, Secretarial Standards, Depositories Act, 2018, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2015, each as amended and all other regulations and guidelines of SEBI as applicable to the Company. The Secretarial Audit Report forms part of the Board's Report.

RECONCILIATION OF SHARE CAPITAL AUDIT

Mrs. Savita Jyoti, from Savita Jyoti Associates, qualified Practicing Company Secretary carried out Share Capital Audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical mode and the total number of dematerialized shares held with NSDL and CDSL. Such Quarterly Reports are submitted to BSE and NSE within thirty (30) days from the end of each quarter and also placed before the Board Meetings for noting.

DISTRIBUTION OF SHARE HOLDING AS ON MARCH 31, 2025.

Category of Equity Shares	No of Share holders	% to total Share holders	No of Shares	% to Total Equity Capital
1 - 250	2,41,534	89.91	1,46,44,826	9.97
251 - 500	15,585	5.80	56,62,304	3.85
501 - 1000	6,392	2.38	48,23,235	3.28
1001 - 2000	2,786	1.04	40,92,258	2.78
2001 - 3000	820	0.31	20,77,180	1.41
3001 - 4000	370	0.14	13,11,665	0.89
4001 - 5000	247	0.09	11,49,994	0.78
5001 - 10000	466	0.17	33,37,061	2.27
10001 and above	429	0.16	10,98,42,160	74.75
TOTAL:	**2,68,629**	**100.00**	**14,69,40,683**	**100.00**

SHAREHOLDING PATTERN OF THE COMPANY AS ON MARCH 31, 2025

Category of Shareholders	Total No. of Shares	% of Total Equity Capital
Promoters	6,06,93,667	41.30
Mutual Funds	1,18,87,889	8.09
Alternative Investment Fund	8,92,964	0.61
Banks	8,579	0.01
Insurance Companies	75	0.00
Qualified Institutional Buyer	20,82,828	1.42
NBFC	16,625	0.01
Foreign Portfolio - Corp	2,20,89,867	15.03
Foreign Institutional Investors	600	0.00
Overseas Corporate Bodies	700	0.00
I E P F	30,86,885	2.10
Resident Individuals	3,79,68,909	25.84
Non Resident Indians (Rept. / Non Rept.)	27,89,827	1.90
Foreign Nationals	3,961	0.00
Bodies Corporates	36,08,167	2.46
H U F	17,53,238	1.19
Clearing Members	11,098	0.01
Trusts	44,804	0.03
Total	**14,69,40,683**	**100.00**

DEMATERIALIZATION OF SHARES

As on March 31, 2025, 96.82% of the shares were held in dematerialized mode and remaining shares in physical mode. As notified by the SEBI, the equity shares of the Company are permitted to be traded only in dematerialized mode.

Particulars	No. of Holders	No. of Shares	%
Physical Segment	57,704	46,65,693	3.18
Demat Segment			
NSDL (A)	1,01,090	9,20,58,165	62.65
CDSL (B)	1,17,493	5,02,16,825	34.17
Total (A+B)	2,18,583	14,22,74,990	96.82
TOTAL	**2,76,287**	**14,69,40,683**	**100.00**

NON-RESIDENT SHAREHOLDERS

The non-resident Shareholders are requested to notify the following to the Company/ Company's RTA - Kfin Tech in respect of shares held in physical mode and to their Depository Participants (DPs) in respect of shares held in dematerialized mode:

- Indian address for sending all communications, if not provided so far;
- Change in their residential status on return to India for permanent settlement;
- Particulars of Bank Account maintained with a Bank in India, if not furnished earlier;
- RBI permission reference number with date to facilitate the credit of the dividend in their bank account.

SHARES HELD IN "UNCLAIMED SUSPENSE ACCOUNT"

Statement showing the details of delivery of unclaimed shares given to Shareholders during the period from April 01, 2024 to March 31, 2025 as per Clause 39(4) of the SEBI Listing Regulations and also an aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on March 31, 2025:

Sr. No.	Particulars	No. of Shareholders	No. of Shares
(i)	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year.	**299**	**12186**
(ii)	Number of shareholders who approached the Company for transfer of shares from the Unclaimed Suspense Account during the year.	8	297
(iii)	Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year.	8	297
(iv)	No. of Shares transferred to IEPF Authority Demat A/C as per IEPF Authority Rules and hence transferred on February 04, 2025.	53	1865
(v)	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year.	**238**	**10024**

Notes:

1. All corporate benefits in terms of securities accruing on such shares viz. bonus shares, split etc. shall also be credited to such Unclaimed Suspense Account.
2. The voting rights on such shares shall remain frozen till the rightful owner claims the shares.
3. This Account is being held by the Company purely on behalf of the shareholders entitled for their unclaimed shares.

FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

During FY 2024-25, the Company managed the foreign exchange risks and hedged to the extent considered necessary. The Company enters into forward contracts for hedging (including natural hedging) foreign exchange exposures against imports and exports.

PLANT LOCATIONS

All the manufacturing Plants of the Company are located at the Registered Office situated at P.O.: Narmadanagar - 392 015, Dist.: Bharuch. The Company has set up a 50,000 MTPA, TDI-II Plant at P.O.: Dahej – 392 130, Taluka - Vagra, Dist.: Bharuch.

Activities in the area of Information Technology (IT) are being carried out at the Registered Office as also at GNFC Infotower, 3rd Floor, Bodakdev, Gandhinagar-Sarkhej Highway, Ahmedabad - 380 054 and at GIFT City, 14th Floor, GIFT One Road, 5-C Zone-5, Gandhinagar – 382 355.

ADDRESS FOR CORRESPONDENCE

All correspondence relating to the Company's Shares should be forwarded to:

REGISTRAR & SHARE TRANSFER AGENT (RTA) OF THE COMPANY
KFin Technologies Limited
Unit: Gujarat Narmada Valley Fertilizers & Chemicals Limited
Selenium Tower B, Plot 31-32, Gachibowli, Financial District,
Nanakramguda, Hyderabad - 500 032.

INVESTOR SERVICE CENTRE
Secretarial & Legal Department;
Gujarat Narmada Valley Fertilizers & Chemicals Limited
'Narmada House', Corporate Office,
P.O.: Narmadanagar - 392 015, Dist.: Bharuch.
Phone: 02642 247002 (Extn: 2208), 02642-202227/202208/202250
E-mail: investor@gnfc.in

EXCLUSIVE E-MAIL ID FOR REDRESSAL OF INVESTORS' COMPLAINTS

The Company has designated E-mail ID "investor@gnfc.in" exclusively for the purpose of registering complaints by the Investors.

WEB-BASED QUERY REDRESSAL SYSTEM

Members may utilise the facility extended by the Registrar and Share Transfer Agent for redressal of queries, by visiting www.kfintech.com and clicking on 'INVESTORS SERVICES' option for query registration through an identity registration process. Investors can submit their query in the 'QUERIES' option provided on the said website, that would generate the query registration number. For accessing the status/response to the query submitted, the query registration number can be used at the option 'VIEW REPLY' after 24 hours. Investors can continue to put an additional query, if any, relating to the grievance till they get a satisfactory reply.

LIST OF CREDIT RATINGS OBTAINED BY THE COMPANY

Nature of Instrument	Present Rating
Fund Based facilities.	ACUITE AA+ / Stable / Assigned
Non-Fund Based facilities.	ACUITE A1+ / Assigned

OTHER DISCLOSURES

RELATED PARTY TRANSACTIONS

The Company has formulated a Policy on Related Party Transactions (RPT Policy), which is available on the Company's Website and can be accessed at the Link

https://www.gnfc.in/wp-content/uploads/2025/02/Related-Party-Transactions-Policy.pdf

During FY 2024-25, the Company has not entered into any contract / arrangement / transaction with Related Parties, which could be considered material in accordance with the Policy on RPTs. In terms of the omnibus approval accorded by the Audit Committee, a Statement in the summary form of transactions with Related Parties, which are routine and repetitive in nature, in the ordinary course of business and on arm's length basis, is periodically placed before the Audit Committee for review and approval. None of the transactions with Related Parties were in conflict with the Company's interest.

DETAILS OF NON-COMPLIANCE

The Company has complied with all applicable provisions of the Companies Act, 2013, including the Rules, Regulations, Guidelines, and Standards issued thereunder, as amended from time to time.

However, the Company received notices from the National Stock Exchange of India Limited (NSE) vide letter No. NSE/LIST-SOP/COMB/FINES/1080 dated September 13, 2024, and from BSE Limited (BSE) via email dated September 13, 2024, in connection with non-compliance of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), due to the delayed submission of the Standalone Limited Review Report for the quarter ended June 30, 2024.

Pursuant to the above, a penalty of ₹ 29,500/- each (inclusive of GST) was levied by both NSE and BSE. The Company paid the said fines on September 21, 2024, through NEFT, and the payment details were duly submitted to both Stock Exchanges.

The matter was placed before the Board of Directors at its meeting held on November 13, 2024. The Board took note of the communications received from the Stock Exchanges and the fines imposed for the delayed submission. The Board also advised the management to exercise due diligence and ensure timely compliance of all regulatory requirements in future.

VIGIL MECHANISM CUM WHISTLE BLOWER POLICY

The Company has in place "Vigil Mechanism-cum-Whistle Blower Policy" to provide a formal mechanism to the directors and employees to report their genuine concerns about the unethical behaviour, actual or suspected fraud, etc. The mechanism provides for adequate safeguards against the victimization of employees who use such a mechanism. During the year, no employee was denied access to the Audit Committee. The Policy is displayed on the Company's Website and can be accessed at link - https://www.gnfc.in/wp-content/uploads/2021/04/Vigill-Mechanism-Cum-Whistle%20Blower-Policy_21102014.pdf

ACCOUNTING TREATMENT

The Company has followed Indian Accounting Standards (Ind AS) in the preparation of the Financial Statements for the FY 2024-25 as per the road map announced by the Ministry of Corporate Affairs (MCA), Government of India. The Significant Accounting Policies, which are consistently applied, are set out in the Notes to the Financial Statements.

CEO / CFO CERTIFICATION

In terms of Regulation 17(8) of the SEBI Listing Regulations, the Managing Director and Chief Financial Officer (CFO) have furnished Annual Certification on financial reporting and internal controls to the Board of Directors. The same is appended with this Report as **Annexure 1**. They have also furnished quarterly certification on unaudited financial results to the Board under Regulation 33(2) of the SEBI Listing Regulations.

DETAILS OF UTILIZATION OF FUNDS RAISED UNDER REGULATION 32 (7A)

No funds were raised through preferential allotment or Qualified Institutional Placement as per the Regulation 32(7A) of SEBI Listing Regulations.

LOANS AND ADVANCES IN WHICH DIRECTORS ARE INTERESTED

The Company has not provided any loans and advances to any firms/companies in which Directors are interested.

TOTAL FEES FOR ALL THE SERVICES RENDERED BY THE STATUTORY AUDITORS AND ALL ENTITIES IN THE NETWORK ENTITY IN WHICH THE STATUTORY AUDITOR IS A PART

The Members of the Company had, in the 45th AGM held in the year 2021, approved the appointment of M/s Suresh Surana & Associates LLP as Statutory Auditors for a period of five (5) consecutive years from the conclusion of 45th AGM till the conclusion of 50th AGM of the Company, vice M/s SRBC & Co. LLP.

Total Fees paid to the Statutory Auditors is:

Name of the Staturory Auditor (M/s Suresh Surana & Associates LLP)	Amount (₹ in Crore)
Statutory Audit Fee.	0.15
Other Services including reimbursement of expenses.	0.33

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

The Company is committed to ensuring that all employees work in an environment that not only promotes diversity and equality but also mutual trust, equal opportunity, and respect for human rights. The Company is also committed to provide a work environment that ensures every woman employee is treated with dignity, respect, and afforded equal treatment.

The Company has formulated a Policy on prevention of Sexual Harassment in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder, which is aimed at providing every woman at the workplace a safe, secure and dignified work environment.

The Company has constituted an Internal Committee to redress the complaint(s).

Details of the complaints:

No. of Complaints filed during the financial year.	0
No. of Complaints disposed of during the financial year.	0
No. of Complaints pending as on end of the financial year.	0

COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN SEBI LISTING REGULATIONS

The Company has complied with the requirements of sub-paras (2) to (10) of Part-C to Schedule-V to the SEBI Listing Regulations.

The Company has also complied with Corporate Governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations and necessary disclosures have been made in this Corporate Governance Report.

A Certificate as to the compliance of conditions of Corporate Governance issued by Practising Company Secretary is appended with this Report as **Annexure 2**.

MANDATORY REQUIREMENTS

The Company is fully compliant with the applicable mandatory requirements of the SEBI Listing Regulations for the FY 2024-25.

ADOPTION OF REGULATION REQUIREMENTS

The following non-mandatory requirements under Part E of Schedule II to the SEBI Listing Regulations to the extent they have been adopted are:

i. **The Board:** Shri Pankaj Joshi, IAS, Non-Executive Chairman has a separate office which is not maintained by the Company.

ii. **Non-Executive Chairman's Office:** Chairman's Office is separate from that of the Managing Director. The Chairman is a Non-Executive Director and not related to the Managing Director.

iii. **Shareholders' Rights:** The quarterly and half-yearly financial performance are published in the newspapers and are posted on the Company's Website.

iv. **Modified Opinion in Auditors Report:** The Company's Financial Statements for the Financial Year ended March 31, 2025 do not contain any modified Audit Opinion.

v. **Reporting of Internal Auditor**: The Internal Auditor reports to the Audit Committee. They regularly attend Meetings of the Audit Committee wherein they present their Audit Observations to the Audit Committee.

RISK MANAGEMENT

The Company has laid down procedures to inform the Board Members about the risk assessment and risk mitigation mechanism. Risk Management Report is periodically reviewed by the Risk Management Committee / Audit Committee / Board of Directors.

MANAGEMENT DISCUSSION & ANALYSIS

Management Discussion & Analysis Report forms part of this Annual Report and include discussions on various matters specified under Regulation 34(3) and Schedule-V to the SEBI Listing Regulations.

CORPORATE POLICIES:

Code of Conduct for prevention of insider trading in securities of the company	https://www.gnfc.in/wp-content/uploads/2021/03/COC-for-Insider-Trading-dat.pdf
Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information	https://www.gnfc.in/wp-content/uploads/2021/07/PITR-Fair-Disc-Code.pdf
Nomination, Remuneration and Evaluation Policy	https://www.gnfc.in/wp-content/uploads/2025/02/NRC_Policy.pdf
Business Responsibility and Sustainability Reporting Policy	https://www.gnfc.in/wp-content/uploads/2024/08/1-Business-Responsibility-and-Sustainability-Reporting-Policy.pdf
Dividend Distribution Policy	https://www.gnfc.in/wp-content/uploads/2024/08/2-Dividend-Distribution-Policy.pdf
Policy for Determining Material Subsidiary	https://www.gnfc.in/wp-content/uploads/2024/08/4-Policy-for-Determining-Material-Subsidary.pdf
Vigil Mechanism cum Whistle Blower Policy	https://www.gnfc.in/wp-content/uploads/2021/04/Vigill-Mechanism-Cum-Whistle%20 Blower-Policy_21102014.pdf
Related Party Transactions Policy	https://www.gnfc.in/wp-content/uploads/2025/02/Related-Party-Transactions-Policy.pdf

CERTIFICATION FROM COMPANY SECRETARY IN PRACTICE

Certificate as required under Part C of Schedule V to the SEBI Listing Regulations, received from Shri Suresh Kumar Kabra, (CP No. 9927) partner of Samdani Shah & Kabra, Practicing Company Secretaries, Vadodara, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority. The same is appended as **Annexure-3**.

DECLARATION REGARDING COMPLIANCE OF COMPANY'S CODE OF CONDUCT BY THE BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL

In accordance with the SEBI Listing Regulations, I hereby declare that all the Board Members and Senior Management Personnel have affirmed compliance with their respective Code of Conduct as adopted by the Board of Directors of the Company for the Financial Year ended March 31, 2025.

Dr. T Natarajan, IAS
DIN : 00396367
MANAGING DIRECTOR

Place : Gandhinagar
Date : May 23, 2025

Annexure-1

To,
The Board of Directors,
Gujarat Narmada Valley Fertilizers & Chemicals Limited,
PO: Narmadanagar - 392 015, DIST: Bharuch

Certificate pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

Dear Sirs,

We, hereby certify that -

(A) We have reviewed financial statements and the cash flow statement for the year ended on March 31, 2025 and that to the best of our knowledge and belief:

i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

ii. 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.

(B) To the best of our knowledge and belief, no transactions have been entered into by the company during the year, which are fraudulent, illegal or violate of the Company's Code of Conduct.

(C) 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.

(D) We have indicated to the auditors and the Audit Committee –

i. significant changes in internal control over financial reporting during the year;

ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

iii. 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.

For Gujarat Narmada Valley Fertilizers & Chemicals Limited

Sd/-	Sd/-
D V Parikh	**Dr. T. Natarajan, IAS**
(Executive Director & CFO)	(Managing Director)
	(DIN: 00396367)

Place: Bharuch
Date: May 23, 2025

Annexure-2

Corporate Governance Compliance Certificate

**[For the Financial Year ended March 31, 2025, pursuant to Schedule V –
Para E of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

The Members
Gujarat Narmada Valley Fertilizers & Chemicals Limited

We have examined the compliance of the conditions of Corporate Governance by **Gujarat Narmada Valley Fertilizers & Chemicals Limited** ("Company") for the financial year ended March 31, 2025 ("review period"), as per the relevant provisions of Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Governance. It is neither an audit nor an expression of an 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, and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) and (t) of Regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the review period.

We state that in respect of investor grievances received during the review period, no such grievance is pending against the Company, as per the records maintained by the Company and presented to the Stakeholders Relationship Committee.

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.

Suresh Kumar Kabra
Partner

Samdani Shah & Kabra
Company Secretaries
ACS No. 9711; CP No. 9927
ICSI Peer Review # 1079/2021
ICSI Unique Code: P2008GJ016300
UDIN: A009711G000425643

Place: Vadodara
Date: May 23, 2025

Annexure-3

CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

For the Financial Year ended as on March 31, 2025

[Pursuant to Regulation 34(3) and Schedule V - Para C - Clause 10 (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members of
Gujarat Narmada Valley Fertilizers & Chemicals Limited

We have examined the relevant Registers, Papers, Books, Records, Forms, Returns, Declarations, Disclosures received from the directors of **Gujarat Narmada Valley Fertilizers & Chemicals Limited** ("Company"), having CIN: L24110GJ1976PLC002903, having registered office situated at P.O.: Narmadanagar Dist.: Bharuch- 392015, Gujarat, India as produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V – Para - C Clause 10 (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

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 and representatives, we hereby certify that none of the Directors on the Board of the Company, as stated below for the Financial Year ended as on March 31, 2025, have been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	* Initial Date of Appointment
1.	Shri Raj Kumar, IAS[1]	00294527	01.08.2023
2.	Shri Pankaj Joshi, IAS[2]	01532892	16.07.2020
3.	Shri Kamal Dayani, IAS	05351774	09.02.2024
4.	Shri S. J. Haider, IAS[3]	02879522	13.08.2024
5.	Smt. Gauri Kumar, IAS (Retd.)	01585999	30.03.2020
6.	Prof. Ranjan Kumar Ghosh	08551618	29.10.2020
7.	Shri Bhadresh Mehta	02625115	29.12.2021
8.	Dr. N. Ravichandran	02065298	29.12.2021
9.	Prof. Piyushkumar Sinha[4]	00484132	08.03.2022
10.	Shri Ajai Bahadur Khare[5]	07416463	17.01.2025
11.	Dr. T. Natarajan, IAS[6]	00396367	11.09.2024
12.	Smt. Mamta Verma, IAS[7]	01854315	05.10.2015
13.	Shri J P Gupta, IAS[8]	01952821	20.12.2021

* Date of Appointment is mentioned as reflected in Master data of the company at MCA Portal.

1 Shri Raj Kumar, IAS ceased to be Director and Chairman of the Company w.e.f. January 31, 2025.

2 Shri Pankaj Joshi, IAS ceased to be Managing Director w.e.f. February 05, 2025 and was later appointed as Chairman and Director of the Company w.e.f. February 06, 2025.

3 Shri S. J. Haider, IAS was appointed as Director of the Company w.e.f. August 13, 2024.

4 Prof. Piyushkumar Sinha ceased to be Non-Executive Independent Director w.e.f. March 07, 2025.

5 Shri Ajai Bahadur Khare was appointed as Non-Executive Independent Director w.e.f. January 17, 2025.

6 Dr. T. Natarajan, IAS was appointed as Director w.e.f. September 11, 2024 and was later appointed as a Managing Director of the Company w.e.f. February 05, 2025.

7 Smt. Mamta Verma, IAS ceased to be Director of the Company w.e.f. August 01, 2024.

8 Shri J P Gupta, IAS ceased to be Director of the Company w.e.f. August 05, 2024.

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 on these, 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.

Suresh Kumar Kabra
Partner

Samdani Shah & Kabra
Company Secretaries
ACS No.9711 CP No. 9927
UDIN: A009711G000425821
Peer Review Certificate No. 1079/2021

Place: Vadodara
Date: May 23, 2025

INDEPENDENT AUDITORS' REPORT

To,
The Members of
Gujarat Narmada Valley Fertilizers & Chemicals Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Gujarat Narmada Valley Fertilizers & Chemicals Limited** (the "Company"), which comprise the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss, including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standard prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules 2015 as amended ("Ind AS") and the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, the profit and other 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 financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the standalone financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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 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 financial statements.

Emphasis of Matter

We draw attention to note 43(B) to the standalone financial statements regarding a matter relating to demand of ₹ 21,370 crores (including interest and penalty computed till November 30, 2021) on the Company by Department of Telecommunications (DoT) towards Very Small Aperture Terminal ('VSAT') and Internet Service Provider ('ISP') Licenses fee relating to earlier years. Based on the legal assessment in consultation with Senior Advocates of the said demand, the Company is of the view that no provision is required to be made at this point of time in respect of the above matter.

Our opinion is not modified in respect of the above matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended 31 March 2025. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">Recognition and measurement of Urea Subsidy Income</td></tr>
<tr><td>The Urea Subsidy Income is recognized and measured by the Company in accordance with notification / circular/ policies issued by the Department of Fertilizers, Government of India.

During the year ended March 31, 2025, the Company has recognized Urea Subsidy Income of ₹ 1,829.89 crores and has outstanding Urea subsidy receivables of ₹ 163.48 crores.

The measurement of Urea Subsidy Income involves application of relevant regulatory pronouncements and notifications, understanding of applicable energy norms, and management estimates / judgements including in respect of escalation / de-escalation in the price of the inputs, etc. for the year. The recognised subsidy income may deviate on account of revision / changes in such interpretation, estimates and judgements, arising from notification by the Department of Fertilizers.

Accordingly, recognition and measurement of subsidy income is determined to be a key audit matter for our audit of standalone financial statements.</td><td>Our audit procedures included the following:
• Assessed the Company's revenue recognition policy for Urea Subsidy Income.
• Understood, evaluated and tested, on a sample basis, the design and operating effectiveness of key internal controls over recognition and measurement of Urea Subsidy Income.
• Reviewed the relevant regulatory pronouncement in respect of Urea Subsidy Income and verified, on a sample basis, the claims filed by the Company along-with underlying accounting evidence in respect of such income.
• Tested calculations for Urea Subsidy Income and reviewed estimates for escalation / de-escalation by comparing with actual production cost relevant for measurement of subsidy amount including final adjustment related to earlier years.
• Reviewed follow-ups made by the Company with the Department of Fertilizers, Government of India and management assessment of recoverability of aged balances.
• Tested the collections made during the year as well as subsequent period against such subsidy income recognized by the Company.
• Assessed the appropriateness of disclosures in the Standalone financial statements in respect of Urea Subsidy Income.</td></tr>
<tr><td colspan="2">Valuation of Inventories, including Stores and Spares</td></tr>
<tr><td>The Company has total inventory of ₹ 1,257.21 crores which comprises of raw materials inventory ₹ 362.97 crores, work-in-progress inventory ₹ 81.49 crores, finished goods inventory ₹ 143.65 crores, trading inventory ₹ 2.24 crores and stores and spares inventory ₹ 666.86 crores (including coal inventory of ₹ 193.50 crores and provision for excess inventory of ₹ 43.61 crores) as at March 31,2025.

The Company has created the above mentioned provision of ₹ 43.61 crores for excess inventory of stores and spares based on physical verification and on evaluation of its usability including for aged items.

Accordingly, appropriateness of the estimates used to identify the valuation of inventories, including stores and spares is determined to be a key audit matter for our audit of standalone financial statements.</td><td>Our audit procedures included the following:
• Reviewed the management policy for physical verification and the documents related to management's physical count procedure actually followed during the year.
• Understood the management process for assessment of value in use/ net realisable value of various class of inventories and making provision for excess inventory.
• Reviewed the management's judgement applied in estimating the value of excess inventory for stores & spares, taking into consideration management assessment of the present and future condition of the inventory.
• Performed substantive audit procedures that included review of working prepared by the management for valuation of inventories and observed that appropriate allocation of fixed cost and variable cost is done in respect of Finished Goods and Work in Progress which is in lines with prevailing accounting standards.
• Performed Physical verification of inventories as at March 31, 2025 and our procedures did not identify any material exceptions.</td></tr>
</table>

Key audit matters	How our audit addressed the key audit matter
Evaluation of uncertain tax demand positions and other legal litigations	
The Company has material uncertain tax demand positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes and significant open legal proceedings under arbitration and courts for various matters with its contractors / vendors and in Government departments, continuing from earlier years which are part of Contingent Liability. Due to complexity involved in these litigation matters, management's judgement regarding recognition and measurement of provisions for these legal proceedings is inherently uncertain and might change over time as the outcomes of the legal cases are determined.	Our audit procedures included the following: • Obtained details of completed tax assessments and demands as at 31 March, 2025 from the management. • Inquired with the management, including in- house legal experts. • Reviewed the minutes of the meetings and those charged with governance, and correspondence between the Company and the external legal experts and other evidence to corroborate management assessment in respect of disputed tax matters. • Assessed the management's position through discussions with the in-house legal expert and external legal opinions obtained by the Company (where considered necessary) on both, the probability of success in the aforesaid cases, and the magnitude of any potential loss. • Discussed with the management on the development in the litigations during the year ended 31 March 2025 and required provision for contingencies have been made during the financial year 2024-25.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report (i.e. Directors' Report, Corporate Governance, Management Discussion and Analysis and Shareholder's information), but does not include the standalone financial statements and our auditor's report thereon. The above referred information is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 (Revised) 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other 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) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended including the Companies (Indian Accounting Standards) Amendment Rules, 2020. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 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 financial statements, the 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 are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to these standalone 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 the 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 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 financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 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 financial statements for the financial year ended 31 March, 2025 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 of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure 1" 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, 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 except for the matters stated in the paragraph i(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;

(c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including the Statement of Other Comprehensive Income, Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors as on March 31,2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31,2025 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph i (vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

(g) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the Company to its directors including sitting fees paid to directors, during the year is in accordance with the provisions of Section 197 read with Schedule V to the Act;

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 36(A) to the standalone financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, on long-term contracts including derivative contracts – Refer Note 21 to the standalone financial statements;

iii. There has been no delay in transferring the 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 (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended 31 March 2025 which has feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of the audit trail features being tempered with. Based on our examination, we noted that audit trail has not been preserved by the Company as per the statutory requirements for record retention.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Reg. No. 121750W/W100010

Ramesh Gupta
Partner
Membership No.: 102306
UDIN : 25102306BMHKNU9993

Place : Gandhinagar
Dated : 23 May 2025

ANNEXURE '1' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

(i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipment and relevant details of Right of Use Assets.

(B) The Company has maintained proper records showing full particulars of its Intangible assets.

(b) The Company has a regular program of physical verification of Property, Plant and Equipment in a phased manner so as to cover all the assets once every three years which, in our opinion, is reasonable having regard to size of the Company and nature of its assets. Pursuant to the program, a portion of the Property, Plant and Equipment have been physically verified by the management during the year. The discrepancies noticed on physical verification of Property, Plant and Equipment were not material and the same have been properly dealt with in the books of account.

(c) According to the information and explanations given to us by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company. In respect of immovable properties of land that have been taken on lease and disclosed as Right of Use Asset (Note 39) in the standalone financial statements, the lease agreement for two parcels of the leasehold land is yet to be entered in the name of the Company, although the Company is the lessee as per the arrangement as mentioned below:

Description of property	Gross carrying value (₹ Crores)	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in the name of the Company*
Land leasehold	43.05	GIDC, Bharuch	No	September 4, 2012	The lease deed for plots allotted are not executed in favour of Company because some of the portion of the lands are Gaucher and Government Land are falling in the plot allotted to the Company and lease will be executed after allotment of Gaucher and Government Land to GNFC. *Not in dispute

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use Assets) and Intangible assets during the year.

(e) According to information and explanations given to us, no proceedings have been initiated or are pending against the Company as of March 31,2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) In respect of the Inventories, according to the information and explanations given to us and on the basis of our examination of the records of the Company:

(a) Physical verification of inventory (i.e stores and spares including capital stores) has been conducted by the management at reasonable intervals during the year and no material discrepancies were noticed on such physical verification. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification of inventory as compared to book records have been properly dealt with in the books of account.

(b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from a bank on the basis of security of current assets. According to information and explanations given to us and the records examined by us, the quarterly returns, filed by the Company during the year with such bank are in agreement with books of account, except as under:

(₹ Crores)

Quarter ended	Nature of current Assets / Liabilities where differences were observed	Amount disclosed as per quarterly return / statement	Amount as per books of account	Amount of Difference	Reasons for material difference
June 30, 2024	Trade payable	449.36	481.16	(31.80)	Note - 1
September 30, 2024	Advances to suppliers	65.96	43.81	22.15	Note - 2
	Trade payable	494.32	502.77	(8.45)	Note - 1 & 2
December 31, 2024	Trade payable	336.09	361.49	(25.40)	Note - 1
March 31, 2025	Trade payable	467.29	494.88	(27.59)	Note - 1

Notes:

1. Liabilities towards accrued expenses not considered in returns / statements submitted to bank.
2. Reclassification adjustments after submission of stock statement not considered in returns / statements submitted to bank.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided guarantees, security or granted advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments, granted loans to companies and other parties in respect of which the requisite information is provided in clause (a) to (f) below, to the extent applicable. The Company has not made any investments in or provided any guarantee or security to firms or limited liability partnership.

(a) Based on the audit procedures carried out by us and as per the information and explanations given to us, the Company has provided loans as below:

(₹ Crores)

Particulars	Loans
Aggregate amount of loan given during the year	
- Other than related parties	
Employees	58.60
Company	545.00
Balance outstanding as at balance sheet date	
- Other than related parties	
Employees	220.49
Company	545.00

(b) According to the information and explanations given to us and based on the audit procedures carried out by us, in our opinion, the investments made during the year and the terms and conditions of the grant of loans provided during the year are prima facie, not prejudicial to the interest of the Company. The Company has not provided any guarantee during the year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular except in the case of three employees where principal and interest payment are overdue. Further, the Company has not given any advances in the nature of loans to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given except in respect of three employees as mentioned above amounting to ₹ 0.28 crore (Including interest of ₹ 0.15 crore). As per the information and explanations provided to us, the Company has filed the Civil Suit against these employees for violating the service rules and final settlement are pending. Further, the Company has not given any advances in the nature of loans to any party 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, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to information and explanations given to us, the Company has not granted any loan, or made investment in or provided any guarantee or security to the parties covered under Section 185 and 186 of the Act during the year. Accordingly, the provisions of clause 3(iv) of the Order are not applicable to the Company.

(v) In our opinion and according to the information and explanations given to us, 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 made thereunder. Accordingly, reporting under clause 3(v) of the Order are not applicable to the Company.

(vi) We have broadly reviewed the books of account 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 Companies Act, 2013, related to the manufacture of fertilizer and industrial products and for the services provided by the Company. In our opinion prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) In respect of statutory dues:

(a) According to the information and explanations given to us, the Company has been regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, duty of customs, cess and any other statutory dues as applicable to the appropriate authorities. There are no undisputed amounts payable in respect of aforesaid statutory dues, which were outstanding 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 explanations given to us and the records of the Company examined by us, the dues of income-tax, sales-tax, duty of excise, value added tax and cess as at 31 March, 2025 which have not been deposited on account of any dispute are as follows:

Name of Statute	Nature of dues	Forum where dispute is pending	Period to which the amount related	Amount involved/Unpaid (₹ Crores)
Central Excise Act, 1944	Excise Duty	Principal Commissioner, Custom House, Kandla	FY 2015-16	0.05
		High Court, Gujarat	FY 2009-13	148.73
Central Sales Tax Act, 1994/Gujarat Value Added Tax Act, 2004	Value Added Tax/ Central Sales tax	Commercial Tax Department, Government of Madhya Pradesh	FY 2015-16	0.01
Customs Act,1962	Custom Duty	High Court, Gujarat	FY 2017-18 to 2020-21	64.12
The Income Tax Act, 1961	Income Tax	National Faceless Appeals Centre	AY 2017-18	6.76
			AY 2018-19	3.96
			AY 2020-21	0.68
		High Court	AY 2009-10	2.39
		Supreme Court	AY 2010-11	4.14
			AY 2011-12	4.31

(viii) According to the information and explanations given to us, there were no unrecorded transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to information and explanations given to us, the Company has not defaulted in repayment of dues to any lender. Accordingly, reporting under clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to information and explanations given to us, the Company has not been declared willful defaulter by any bank or financial institution or other lender. Accordingly, reporting under clause 3(ix)(b) of the Order is not applicable to the Company.

(c) According to information and explanations given to us, the Company has not obtained any term loan. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to information and explanations given to us, and on the basis of our examination of the records of the Company, funds raised on short term basis have, prima facie, not been utilised for long term purposes by the Company. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.

(e) According to information and explanations given to us, the Company did not have any subsidiary or joint venture during the year. Further, the Company has not taken any funds to meet the obligations of its associate Company. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.

(f) According to information and explanations given to us, the Company did not have any subsidiary or joint venture during the year. Further, the Company has not raised any loans on the pledge of securities held in its associate Company. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) According to the information and explanations given to us, the Company has not raised moneys by way of public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) Based upon the audit procedures performed and according to the information and explanations given to us, we report that no fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to information and explanations given to us, no report under sub-section (12) of Section 143 of the 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 and up to the date of this report.

(c) The Company is having whistle blower mechanism and as per the information provided to us, no whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us, in our opinion, transactions with related parties are in compliance with Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) According to the information and explanations given to us, in our opinion and based on our examination, the Company has an adequate internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports for the year under audit and covering the period up to March 31,2025.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year. Accordingly, reporting under clause 3(xv) of the Order is not applicable to the Company.

(xvi) In respect of the Reserve Bank of India Act, 1934:

(a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable to the Company.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) According to the information and explanations given to us, the Company has not incurred any 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 during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(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 financial statements, 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 that the 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) According to the information and explanation given to us and on the basis of examination of the records, there are no amounts unspent in respect of corporate social responsibilities towards other than ongoing projects. In respect of ongoing projects, the Company has transferred the unspent amount to special account in compliance with provision of sub-section (6) of Section 135 of the said Act.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Reg. No. 121750W/W100010

Ramesh Gupta
Partner
Membership No. : 102306
UDIN : 25102306BMHKNU9993

Place : Gandhinagar
Date : 23 May 2025

Annexure '2' to the Independent Auditor's Report

(Referred to in paragraph 2(g) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Gujarat Narmada Valley Fertilizers & Chemicals Limited** (the "Company") as of March 31,2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Companies Act, 2013, as amended, to the extent applicable to an audit of internal financial controls and issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone 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 over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 internal financial controls over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial controls 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. A Company's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone 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 over financial reporting with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone 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 the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31,2025, based on the internal financial control criteria with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Reg. No. 121750W/W100010

Ramesh Gupta
Partner
Membership No. : 102306
UDIN : 25102306BMHKNU9993

Place : Gandhinagar
Date : 23 May 2025

STANDALONE BALANCE SHEET AS AT MARCH 31, 2025

(₹ Crores)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
I. Non-current assets			
(a) Property, plant and equipment	4	**2,795.26**	2,969.92
(b) Capital work-in-progress	5	**381.97**	288.52
(c) Investment property	6	**36.15**	36.97
(d) Right of use asset	39	**217.73**	214.16
(e) Intangible assets	7	**44.36**	16.55
(f) Financial assets			
(i) Investments	8	**1,563.03**	2,254.39
(ii) Loans and advances	9	**161.23**	138.03
(iii) Other financial assets	10	**18.33**	18.70
(g) Income tax assets (net)	26	**40.43**	70.17
(h) Other non-current assets	12	**262.32**	71.66
		5,520.81	6,079.07
II. Current assets			
(a) Inventories	13	**1,257.21**	1,119.39
(b) Financial assets			
(i) Investments	8	**617.48**	664.72
(ii) Trade receivables	11	**422.58**	626.39
(iii) Cash and cash equivalents	14	**18.55**	42.56
(iv) Other bank balances	15	**2,289.85**	1,486.34
(v) Loans and advances	9	**565.20**	369.56
(vi) Other financial assets	10	**125.15**	93.27
(c) Other current assets	16	**63.14**	79.55
		5,359.16	4,481.78
Total Assets		**10,879.97**	10,560.85
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	17	**146.94**	146.94
(b) Other equity	18	**8,305.43**	8,050.80
		8,452.37	8,197.74
Liabilities			
I. Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	39	**3.93**	1.19
(ii) Other financial liabilities	21	**2.65**	5.11
(b) Provisions	22	**570.30**	489.76
(c) Deferred tax liabilities (net)	26	**247.99**	269.53
(d) Government grants (deferred income)	23	**455.26**	516.05
		1,280.13	1,281.64
II. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	**99.16**	0.56
(ii) Lease liabilities	39	**2.51**	0.98
(iii) Trade payables:	20		
(A) total outstanding dues of micro and small enterprises		**25.23**	33.28
(B) total outstanding dues of creditors other than micro and small enterprises		**469.65**	489.12
(iv) Other financial liabilities	21	**338.89**	343.75
(b) Other current liabilities	24	**100.47**	92.08
(c) Provisions	25	**43.21**	52.17
(d) Government grants (deferred income)	23	**60.79**	69.49
(e) Current tax liabilities (net)	26	**7.56**	0.04
		1,147.47	1,081.47
Total Equity and Liabilities		**10,879.97**	10,560.85
Summary of Material Accounting Policies	2		
The accompanying notes are an integral part of the standalone financial statements			

For and on behalf of the Board of Directors,

D. V. Parikh
Executive Director & CFO

Rajesh Pillai
Company Secretary
(ICSI M. No. : ACS 27145)

Dr. T. Natarajan, IAS
Managing Director
(DIN : 00396367)

Pankaj Joshi, IAS
Chairman
(DIN : 01532892)

Place : Gandhinagar
Date : 23-05-2025

As per our report of even date
For **Suresh Surana & Associates LLP**
Chartered Accountants
(Firm Registration No.: 121750W/W100010)

Ramesh Gupta
Partner
Membership No. 102306

Place : Gandhinagar
Date : 23-05-2025

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025

(₹ Crores)

Particulars	Notes	Year ended March 31, 2025	Year ended March 31, 2024
Income			
Revenue from operations	27	**7,892.45**	7,929.73
Other income	28	**500.97**	469.20
Total		**8,393.42**	8,398.93
Expenses			
Cost of raw materials consumed	29	**4,454.08**	4,383.48
Purchase of traded goods and goods & services of IT division		**64.23**	140.85
Changes in inventories of finished goods, work-in-progress and traded goods	30	**11.62**	(20.14)
Power, fuel and other utilities		**1,450.45**	1,506.72
Employee benefits expense	31	**566.07**	625.44
Finance costs	32	**22.95**	12.52
Depreciation and amortisation	33	**302.83**	307.54
Other expenses	34	**730.80**	791.41
Total		**7,603.03**	7,747.82
Profit before tax		**790.39**	651.11
Tax expense / (credit)			
Current tax		**216.90**	168.20
Earlier year tax adjustments -short / (excess)		**7.18**	36.66
Deferred tax (credit)		**(19.21)**	(38.54)
Total tax expense / (credit)	26	**204.87**	166.32
Profit for the year	**(A)**	**585.52**	484.79
Other comprehensive income / (expense)			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
- Re-measurement (losses) / gain on defined benefit plans		**(20.15)**	(5.53)
- Income tax effect credit / (charge)	26	**5.07**	1.39
- Net (loss) / gain on FVTOCI equity investments		**(75.69)**	(50.94)
- Income tax effect credit / (charge)	26	**2.33**	35.83
Net other comprehensive (expense) / income not to be reclassified to profit or loss in subsequent periods		**(88.44)**	(19.25)
Total other comprehensive (expense) / income for the year, net of tax	**(B)**	**(88.44)**	(19.25)
Total comprehensive income for the year, net of tax	**(A)+(B)**	**497.08**	465.54
Earnings per Share - (Face value of ₹ 10 each) Basic and Diluted (in ₹)	35	**39.85**	31.67
Summary of Material Accounting Policies	2		

The accompanying notes are an integral part of the standalone financial statements

For and on behalf of the Board of Directors,

D. V. Parikh Executive Director & CFO	**Rajesh Pillai** Company Secretary (ICSI M. No. : ACS 27145)	**Dr. T. Natarajan, IAS** Managing Director (DIN : 00396367)	**Pankaj Joshi, IAS** Chairman (DIN : 01532892)

As per our report of even date
For **Suresh Surana & Associates LLP**
Chartered Accountants
(Firm Registration No.: 121750W/W100010)

Place : Gandhinagar
Date : 23-05-2025

Ramesh Gupta
Partner
Membership No. 102306

Place : Gandhinagar
Date : 23-05-2025

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025

(A) Equity share capital

(₹ Crores)

Particulars	Note	Amount
Balance as at April 01, 2023		**155.42**
Changes in Equity Share Capital due to prior period errors	17	-
Restated balance at the April 01, 2023		**155.42**
Changes in equity share capital during the year (Refer Note 17.1)	17	(8.48)
Balance as at March 31, 2024		**146.94**
Changes in Equity Share Capital due to prior period errors	17	-
Restated balance at the March 31, 2024		**146.94**
Changes in equity share capital during the year	17	-
Balance as at March 31, 2025		**146.94**

(B) Other equity

(₹ Crores)

Particulars	Reserves and surplus					Equity instruments at fair value through other comprehensive income	Total
	Capital reserve	Capital redemption reserve	Securities premium	General reserve	Retained earnings		
	Note 18.1	Note 18.1	Note 18.1	Note 18.1	Note 18.1	Note 18.2	
Balance as at April 01, 2023	**0.64**	**-**	**313.31**	**2,679.76**	**5,115.16**	**742.07**	**8,850.94**
Profit for the year	-	-	-	-	484.79	-	484.79
Other comprehensive income for the year	-	-	-	-	(4.14)	(15.11)	(19.25)
Total comprehensive income for the year	-	-	-	-	480.65	(15.11)	465.54
Dividend paid during the year (refer Note 18.3)	-	-	-	-	(466.26)	-	(466.26)
Expenses for buy-back of equity shares	-	-	-	-	(4.98)	-	(4.98)
Tax on buy-back of equity shares	-	-	-	-	(150.10)	-	(150.10)
Transfer to capital redemption reserve	-	8.48	-	-	(8.48)	-	-
Buy-back of equity shares	-	-	(313.31)	-	(331.03)	-	(644.34)
Transfer from retained earnings	-	-	-	500.00	(500.00)	-	-
Balance as at March 31, 2024	**0.64**	**8.48**	**-**	**3,179.76**	**4,134.96**	**726.96**	**8,050.80**
Profit for the year	-	-	-	-	585.52	-	585.52
Other comprehensive income for the year	-	-	-	-	(15.08)	(73.36)	(88.44)
Total comprehensive income for the year	-	-	-	-	570.44	(73.36)	497.08
Dividend paid during the year (refer Note 18.3)	-	-	-	-	(242.45)	-	(242.45)
Transfer from retained earnings	-	-	-	250.00	(250.00)	-	-
Balance as at March 31, 2025	**0.64**	**8.48**	**-**	**3,429.76**	**4,212.95**	**653.60**	**8,305.43**
Summary of Material Accounting Policies	**2**						

The accompanying notes are an integral part of the standalone financial statements

For and on behalf of the Board of Directors,

D. V. Parikh
Executive Director & CFO

Rajesh Pillai
Company Secretary
(ICSI M. No. : ACS 27145)

Dr. T. Natarajan, IAS
Managing Director
(DIN : 00396367)

Pankaj Joshi, IAS
Chairman
(DIN : 01532892)

Place : Gandhinagar
Date : 23-05-2025

As per our report of even date
For **Suresh Surana & Associates LLP**
Chartered Accountants
(Firm Registration No.: 121750W/W100010)

Ramesh Gupta
Partner
Membership No. 102306

Place : Gandhinagar
Date : 23-05-2025

STATEMENT OF STANDALONE CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025

(₹ Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Cash flow from operating activities		
Profit before tax as per statement of profit and loss	**790.39**	651.11
Adjustments for:		
Loss on sale / discard / write off of property, plant and equipment (net)	**1.01**	6.12
(Gain) on Lease modification/ termination	**-**	(0.01)
(Gain) on sale of investments (net)	**(0.01)**	(0.15)
Interim distribution towards investments	**(12.61)**	(2.50)
Depreciation and amortization	**302.83**	307.54
Interest expense on employee loan fair valuation	**1.13**	19.43
Interest income	**(316.78)**	(336.32)
Dividend income	**(23.38)**	(29.20)
Amortization of grant income	**(60.80)**	(57.47)
Fair valuation (gain) / loss on investments measured at FVTPL (net)	**(1.55)**	7.53
Unclaimed liabilities / excess provision for doubtful debt written back	**(51.40)**	(18.29)
Unrealised foreign exchange fluctuation loss / (gain)	**2.89**	(1.08)
Finance costs	**21.67**	10.04
Premium on forward contracts	**1.94**	2.47
Provision for excess Inventory	**14.79**	20.95
Provision for Unspent CSR obligation	**23.42**	11.53
Provision for contingencies	**53.81**	51.04
Advances / bad debts / other receivables written off	**0.04**	0.42
Provision for doubtful debts / advances (net)	**0.73**	4.08
Operating profit before working capital changes	**748.12**	647.24
Movements in working capital :		
Decrease / (increase) in trade receivables, including Subsidy	**206.46**	(254.62)
(Increase) in inventories	**(137.14)**	(17.13)
Decrease in financial assets	**0.32**	31.52
(Increase) / decrease in loans and advances and other assets	**(14.23)**	10.57
(Decrease) in provisions	**(2.38)**	(86.11)
Increase / (decrease) in trade payables and other liabilities	**4.97**	(63.38)
(Decrease) in financial liabilities	**(20.82)**	(24.53)
Cash generated from operations	**785.30**	243.56
Income taxes paid (net)	**(180.12)**	(212.28)
Net cash flow generated from operating activities (A)	**605.18**	31.28
Cash flows from investing activities		
Payment for purchase of property, plant and equipment		
(Including capital work In progress and capital advances)	**(452.87)**	(251.18)
Proceeds from sale / concession received of property, plant and equipment	**1.83**	2.39
Purchase of investments (refer Note 8)	**-**	(161.30)
Proceeds from sale / maturity of investments / other advances	**668.28**	276.81
(Increase) / decrease in deposits with corporates (net)	**(195.00)**	450.00
(Increase) / decrease in deposits / balances with banks (net)	**(803.51)**	531.37
Interest received	**292.05**	358.20
Dividend received	**23.38**	29.20
Net cash flow (used in) / generated from investing activities (B)	**(465.84)**	1,235.49

STATEMENT OF STANDALONE CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025

(₹ Crores)

Particulars		Year ended March 31, 2025	Year ended March 31, 2024
Cash flows from financing activities			
Proceeds from short term borrowings		**24.23**	0.27
Repayment of short term borrowings		**(24.23)**	(0.27)
Interest paid		**(21.67)**	(10.04)
Dividend paid		**(238.34)**	(460.56)
Transfer of funds to buy-back escrow account		**-**	(16.32)
Transfer of funds from buy-back escrow account		**-**	16.32
Expenses for buy-back of equity shares		**-**	(4.98)
Tax on buy-back of equity shares		**-**	(150.10)
Buy-back of equity shares		**-**	(652.81)
Premium on forward contracts		**(1.94)**	(2.47)
Net cash flow (used in) financing activities (C)		**(261.95)**	(1,280.96)
Net (decrease) in cash and cash equivalents (A + B + C)		**(122.61)**	(14.19)
Cash and cash equivalents at the beginning of the year		**42.00**	56.19
Cash and cash equivalents at the end of the year		**(80.61)**	42.00
Notes:			
Component of Cash and Cash equivalents			
- Cash on hand		**0.07**	0.05
- Debit balance in cash credit and overdraft accounts		**17.73**	32.42
- Balances with bank in current accounts		**0.75**	10.09
Total (refer Note 14)		**18.55**	42.56
Less: Cash credit and overdraft accounts (refer Note 19)		**(99.16)**	(0.56)
Total cash and cash equivalents		**(80.61)**	42.00
Summary of Material Accounting Policies	2		
The accompanying notes are an integral part of the standalone financial statements			

(1) The Cash flow statement has been prepared under the indirect method as set out in the "Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows" issued by the Institute of Chartered Accountants of India.

(2) Disclosure with regards to changes in liabilities arising from Financing activities as set out in Ind AS 7 – Statement of Cash flows is presented under Note-21(a).

For and on behalf of the Board of Directors,

D. V. Parikh	**Rajesh Pillai**	**Dr. T. Natarajan, IAS**	**Pankaj Joshi, IAS**
Executive Director & CFO	Company Secretary	Managing Director	Chairman
	(ICSI M. No. : ACS 27145)	(DIN : 00396367)	(DIN : 01532892)

As per our report of even date
For **Suresh Surana & Associates LLP**
Chartered Accountants
(Firm Registration No.: 121750W/W100010)

Place : Gandhinagar
Date : 23-05-2025

Ramesh Gupta
Partner
Membership No. 102306

Place : Gandhinagar
Date : 23-05-2025

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

1 Corporate information

The financial statements comprise financial statements of Gujarat Narmada Valley Fertilizers & Chemicals Limited ('the Company') for the year ended March 31, 2025. The Company is a public company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognized stock exchanges in India (i.e. National Stock Exchange (NSE) and Bombay Stock Exchange (BSE)). The registered office of the Company is located at P.O: Narmadanagar-392 015, Dist.: Bharuch, Gujarat.

The Company is one of India's leading entities engaged in the manufacturing and selling of fertilizers, industrial chemical products and providing IT services.

The financial statements were approved for issue in accordance with a resolution of the Board of Directors on May 23, 2025.

2 Material accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

The financial statements have been prepared on going concern basis using historical cost, except for the following assets and liabilities which have been measured at fair value amount:

- Derivative financial instruments,
- Defined benefit plans – plan assets measured at fair value; and
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition, or the amount of proceeds received in exchange for the obligation, or at the amount of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

Financial statements are presented in Indian Rupees (₹) which is the functional currency, and all values are rounded off to the nearest crores as per the requirement of Schedule III to the Companies Act, 2013, except where otherwise indicated.

2.2 Summary of material 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 is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle; or
- Held primarily for the purpose of trading; or
- 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.

A liability is current when it is:

- It is expected to be settled in normal operating cycle; or
- It is held primarily for the purpose of trading; or
- 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.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

The Company has identified twelve months as its operating cycle.

b) Foreign currency transactions

The Company's financial statements are presented in Indian Rupees (₹), which is also the functional currency of the Company.

Transactions in foreign currencies are initially recorded at the exchange rate prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate prevailing on the balance sheet date and the resultant exchange gains or losses are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of initial transactions.

c) Fair value measurement

Fair value is the price that would be received to sell 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, 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 the market participants would use when pricing the asset or liability, assuming that the 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 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 investments properties, unquoted investments and loan to employees.

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.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (refer Note 50)
- Quantitative disclosures of fair value measurement hierarchy (refer Note 50.2)
- Investment in unquoted equity shares (refer Note 8)
- Investment properties (refer Note 6)
- Financial instruments (including those carried at amortized cost) (refer Note 50.1)

d) Revenue from contracts with customers

Revenue from contracts with customers is recognised when the control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company derives its revenues from sale of goods such as fertilizers, industrial chemicals, government subsidies on sale of fertilizers and information technology related hardware / software services. The Company is generally the principal in its revenue arrangements because it controls goods or services before transferring them to the customer, except for the agency services where revenue is recognised on net basis.

The disclosure of significant accounting judgements, estimates and assumptions relating to revenue from contract with customers are provided in Note 3.

Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods except in certain cases where goods are sold under bill and hold arrangement.

The Company considers whether there are other promises in the contract (supply of information technology goods) that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g. installation, warranties etc.) based on materiality of such obligation. In determining the transaction price for the sale of goods, the Company considers the effect of variable consideration and consideration payable to the customer (if any).

Amount disclosed as revenue are net of trade discounts, rebates, incentives and goods & service tax (GST). The Company collects GST on behalf of the government and therefore, these are not economic benefits flowing to the Company. Hence, these are excluded from the revenue. The Company recognizes changes in the estimated amount of liability for discounts, rebates and incentives in the period in which the change occurs.

Installation, as applicable, is integral part of delivery of goods. The Company typically provides warranties for general repairs of defect that existed at the time of sale, as required by law. These assurance type warranties are accounted for under Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets unless it is fully realisable from the supplier.

Urea product subsidy

Urea Subsidy under (i) New Pricing Scheme (NPS) – Stage-III and Modified NPS-III and (ii) New Urea Policy (NUP) 2015 is recognised as per concession rates notified by the Government of India (GoI) at the point in time when the quantity is transferred/delivered to customers. Urea Subsidy is further adjusted for input price escalation/de-escalation as estimated by the Management based on the prescribed norms. The Company recognizes the subsidy based on quantity sold.

ANP product subsidy

ANP Subsidy under Nutrient Based Subsidy [NBS] w.e.f. 01.04.2010 and amendments thereto is recognized as per the concession rates notified by the Government of India [GoI] at the point in time when quantity is transferred / delivered to customers. ANP Subsidy is further adjusted for expected downward change, if any, in NBS rates based on functional forecast. In case the GoI has notified the rates after the completion of financial year but before audited / reviewed accounts are approved then impact of such rates is factored based on the quantity remaining unsold to end customer. The Company recognises the subsidy based on quantity of first point sales.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Urea and ANP freight subsidy

Freight subsidy recognised under Uniform Freight Policy for the quantity transferred / delivered to customers based on the notified rates approved by the GoI. In the case of ANP for primary freight (i.e. Direct dispatch from plant by road), subsidy income is recognized based on the lower of the normative notified rates approved by the GoI or the actual freight incurred.

Rendering of services (including contracted services)

Income from services rendered by the Information Technology division (including operation and maintenance) is recognized as and when the services are transferred to the customer at an amount that reflect the consideration to which the Company expects to be entitled in exchange for those services.

Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

Dividends

Dividend income is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend except for interim dividend which is recognised based on approval of the Board of Directors of investee company.

Insurance claims

Claims receivable on account of insurance are accounted for to the extent no significant uncertainty exist for the measurement and realisation of the amount.

Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset except to the extent adjustments are recognised on account of change in estimate as per para 37 of Ind AS 8 to the carrying amount of the related assets.

Export incentive

Export incentives under various schemes notified by government are accounted for in the year of exports based on the eligibility, reasonable accuracy and conditions precedent to claim are fulfilled.

e) Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables (including subsidy receivables)

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section O "Financial instruments – initial recognition and subsequent measurement".

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the

Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

f) Taxes

Tax expense comprises of current income tax and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

Current income tax relating to items recognized outside the statement of profit and loss is recognized in correlation to the underlying transaction either in OCI 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.

Current tax assets and current tax liabilities are offset where the entity has a legally enforceable right to offset the recognized amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is provided using the liability approach 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 associates, 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 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 associates, 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 profit 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 future 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 date.

Deferred tax relating to items recognized outside the statement of profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and liabilities are offset if and only if there is a legally enforceable right to offset corresponding current tax assets against current tax liabilities and when the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

g) Property, plant and equipment (PPE)

Measurement at recognition

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non- refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Such cost includes the cost of replacing part of the plant and equipment if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, 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 the Statement of Profit and Loss as incurred.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life.

The Company had adjusted exchange differences arising on translation difference/settlement of long term foreign currency monetary items outstanding in the Indian GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial statements i.e. March 31, 2016 and pertaining to the acquisition of a depreciable asset to the cost of asset and depreciates the same over the remaining life of the asset.

Capital Work in progress

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as Other Non-Current Assets.

Depreciation

Depreciation on each part of an item of property, plant and equipment is provided using the Straight Line Method based on the useful life of the asset as prescribed under Part C of Schedule II of the Companies Act, 2013 or based on technical assessment by the Company taking into account the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, past history of replacements, manufacturers warranties and maintenance support, etc.

The useful lives for certain categories of property, plant and equipments are different from those prescribed under Part C of Schedule II of the Companies Act, 2013 based on management estimates. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be use. Category wise details are as under:

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Sr No	Category	Useful life in years
1	Plant and equipment (including capital spares)	Ranging from 1 to 40 years
2	Furniture and Fixtures	Ranging from 2 to 20 years
3	Office equipments	Ranging from 1 to 13 years
4	Roads, culverts and compound wall	Ranging from 3 to 30 years
5	Water supply and drainage system	Ranging from 5 to 15 years
6	Building	Ranging from 3 to 60 years

The identified components of property, plant and equipments are depreciated over their useful lives and the remaining components are depreciated over the life of principal assets.

Freehold land is not depreciated.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate and adjusted prospectively, if appropriate.

De-recognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the De-recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

h) Investment Properties

Investment properties are measured initially at original cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the 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.

The Company depreciates building component of investment property over 60 years from the date of original purchase.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised either when they have been disposed off or do not meet the criteria of investment property i.e. when investment property is 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.

i) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Cost incurred on internally generated intangible assets are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets with infinite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a infinite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss.

Gains or losses arising from derecognition 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.

A summary of the policies applied to the Company's intangible assets is as follows:

Sr No	Intangible Assets	Method of Amortization	Estimated Useful life
1	Computer software	on straight line basis	Three years or validity period whichever is lower
2	Licenses		Over its useful life of 20 years

j) Leases

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

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use Assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term or the estimated useful lives of the assets, as follows:

Sr No	Category	Life
1	Lease hold land	8 to 99 years
2	Building (includes Godown / warehouses & office premises)	3 to 5 years
3	Vehicle	3 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (l) Impairment of non-financial assets.

(ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of building, machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

k) Inventories

Inventories of Raw materials, Work-in-progress, Finished goods and Stock-in-trade are valued at the lower of cost and net realisable value. However, Raw materials and work-in-progress held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Raw materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on Moving Weighted Average Cost basis.

Finished goods and work in progress: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on Moving Weighted Average Cost basis.

Traded goods: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on Moving Weighted Average Cost basis.

All other inventories of stores and consumables (including coal) are valued at Moving Weighted Average Cost basis after providing for obsolescence and other losses considering the ageing of inventory and usability, where considered necessary on an item-by-item basis. Stores and Spares includes equipment spare parts, catalyst and others which are held as inventory by the Company.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

l) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates 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. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. 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. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses including impairment on inventories, are recognized in the statement of profit and loss.

For assets excluding goodwill, 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 asset's or 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 asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset 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 asset in prior years. Such reversal is recognized in the statement of profit and loss as an exceptional item.

Under Ind AS 116 para 33 right-of-use assets are subject to the impairment requirements of Ind AS 36 - Impairment of assets.

m) Provisions and contingencies

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. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

n) Retirement and other employee benefits

Retirement benefit in the form of Provident Fund is a defined benefit contribution scheme. The Company has no obligation other than the contribution payable to the Provident Fund. The Company recognizes contribution payable to the Provident Fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability.

The employee's gratuity fund scheme and post-retirement medical benefit schemes are Company's defined benefit plans. The contributions under the plans are made to separately administered funds. The cost of providing benefits under such defined benefit plans is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on the net basis.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short term employee benefits. The Company measures the expected cost of such absence as the additional amount that is expected to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months as long term compensated absences which are provided for based on actuarial valuation as at the end of the period. The actuarial valuation is done as per Projected Unit Credit Method and all gains / losses due to actuarial valuation are immediately recognised in profit or loss in the period in which they arise.

o) 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.

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in case of financial asset not recorded at fair value through profit and loss, transaction cost that are attributable to the acquisition of the financial assets.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (e) for Revenue from contracts with customers.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are solely payment of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date. i.e. the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

(i) Financial assets measured at amortized cost (debt instrument)

(ii) Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

(iii) Financial assets measured at fair value through profit or loss (FVTPL)

(i) Financial assets measured at amortized cost (debt instrument)

A 'financial asset' is measured at amortized cost if both the following conditions are met:

(a) the financial asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows, and

(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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This category generally applies to cash and bank balances, trade receivables, investments in unquoted equity shares of subsidiary entity and associate entity, investment in G-sec, loans & advances and other financial assets of the Company (Refer note 50 for further details).

This category is most relevant to the Company. 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 interest income in the profit or loss.

(ii) Financial assets designated at fair value through OCI (equity instruments)

All equity investments in scope of Ind-AS 109 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 make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment / de- recognition of investment on restructuring by investee. However, the Company may transfer the cumulative gain or loss into retained earnings within equity. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

(iii) Financial assets at fair value through profit or loss (FVTPL)

Financial assets at fair value through profit or loss include financial assets held for trading, debt securities and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

FVTPL is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as ‘accounting mismatch’). The Company has designated Loans to employees, investments in Government Securities, Debentures and State Development Loans and other advances. (Refer note 50 for further details).

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company’s balance sheet) when :

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control 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.

On Derecognition of a financial asset, (except as mentioned in (ii) above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure;

a) Financial assets that are debt instruments, and are measured at amortized cost e.g. loans, debt securities, deposits and bank balances.

b) Financial assets that are equity instruments and are measured at fair value through other comprehensive income (FVTOCI)

c) 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.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Lifetime ECL are the expected credit losses resulting from all possible default over the expected life of a financial instrument.

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.The Company uses the practical expedient in Ind AS 109 for measuring expected credit losses for trade receivables using a provision matrix based on ageing of receivables. This amount is reflected under the head "Other Expense / Other Income" in the P&L.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss. Loans, borrowings and payables are subsequently measured at amortised cost whereas derivatives are measured at fair value through profit and loss.

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.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

For the purpose of subsequent measurement, financial liabilities are classified into two categories:

(i) Financial liabilities measured at fair value through profit or loss

(ii) Financial liabilities measured at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains / losses attributable to changes in own credit risk are recognized in OCI. These gains / losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss.

Financial liabilities measured at amortised cost (loans and borrowings)

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 borrowings.

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.

Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

p) Derivative financial instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value through profit or loss (FVTPL) on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Any gains or losses arising from changes in the fair value of derivative financial instrument or on settlement of such derivative financial instruments are recognized in statement of profit and loss and are classified as Foreign Exchange (Gain) / Loss except those relating to borrowings, which are separately classified under Finance Cost.

q) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts and cash credit facilities as they are considered an integral part of the Company's cash management.

r) Cash dividend to equity holders of the Company

The Company recognizes a liability to pay dividend to equity holders of the parent when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

s) Earnings per share

Basic earnings per share are calculated by dividing the profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

t) Segment Accounting

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. The Operating segments have been identified on the basis of the nature of products/services.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue, if any, are recognised at sales price. Profit or loss on inter segment transfer are eliminated at the Company level. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocated to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

The identified reportable segments are Fertilizers, Chemicals and Others in terms of the requirements of Ind AS 108 "Operating Segments" as notified under section 133 of the Companies Act, 2013.

2.3 Recent accounting 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.

3 Significant accounting judgement, estimates and assumptions

The preparation of the Company's Ind AS Financial Statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Judgements

In the process of applying the Companies accounting policies, management has made the following judgements which have the most significant effects on the amounts recognised in the financial statements.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Taxes

Deferred tax assets are recognized for unused tax credits to the extent that it is probable that taxable profit will be available against which the credits can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Further details on taxes are disclosed in Note 26.

Defined benefit plans (gratuity benefits and other post-employment medical benefits)

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of these obligations 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, medical cost escalations and mortality rates etc. 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 operated in India, the management considers the interest rates of government bonds / securities in currencies consistent with the currencies of the post- employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates and Company's obligation under Long Term Wage Settlement which is evaluated in block of four years. Medical cost escalations are based on expected future medical expenditure.

Further details about gratuity and post-employment medical benefits obligations are given in Note 41.

Fair value measurement 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 DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer Note 50 for further disclosures.

The Company has invested in the equity instruments of various companies. The valuation exercise of unquoted equity instruments carried out by the Company with the help of an independent valuer, etc. has estimated fair value at each reporting period based on available historical annual reports and other information in the public domain.

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 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 cash flows are derived from the budget for the future years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance being tested. The cash flow projections, beyond period covered by the most recent budget / forecast, the Company extrapolates cash flow projections taking base of budget working using a steady or declining growth rate for subsequent years unless an increasing trend can be justified. 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.

Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

Evaluation of uncertain tax demand positions and other legal litigation

The Company has material uncertain tax demand positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes and significant open legal proceedings under arbitration and courts for various matters with its contractors / vendors and in Government departments, continuing from earlier years which are part of Contingent Liability. The Company has made estimates to recognize the provisions mainly for probable claims arising out of litigations / disputes pending with authorities under various statutes and with other parties. The probability and the timing of the outflow with regard to these matters depend on the outcome of the litigations/disputes. Hence, the Company is not able to reasonably ascertain the timing of the outflow.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 4 : Property, plant and equipment

(₹ Crores)

	Land freehold	Leasehold Land Development	Buildings	Plant and equipment	Furniture and fixture	Vehicles	Office equipment	Roads, culverts and compund wall	Water supply and drainage system	Railway sidings	Total
Cost											
As at April 01, 2023	**111.03**	**9.62**	**428.65**	**7,020.25**	**37.19**	**7.27**	**11.99**	**75.36**	**126.59**	**6.97**	**7,834.92**
Additions	-	-	5.32	125.78	2.92	1.73	1.00	7.68	-	24.82	169.25
Disposals	-	-	(0.32)	(37.55)	(5.41)	(0.50)	(0.97)	(0.07)	-	(0.98)	(45.80)
As at March 31, 2024	**111.03**	**9.62**	**433.65**	**7,108.48**	**34.70**	**8.50**	**12.02**	**82.97**	**126.59**	**30.81**	**7,958.37**
Additions	-	4.31	1.72	96.92	2.46	1.45	0.87	2.51	1.24	5.62	117.10
Reclassification	-	-	-	-	-	-	-	-	(11.44)	-	(11.44)
Disposals	-	-	-	(16.52)	(0.20)	(1.42)	(0.29)	-	-	(0.28)	(18.71)
As at March 31, 2025	**111.03**	**13.93**	**435.37**	**7,188.88**	**36.96**	**8.53**	**12.60**	**85.48**	**116.39**	**36.15**	**8,045.32**
Depreciation / Amortisation											
As at April 01, 2023	**-**	**0.80**	**152.88**	**4,387.26**	**26.42**	**4.44**	**9.98**	**54.33**	**86.59**	**3.69**	**4,726.39**
Depreciation for the year	-	0.34	12.84	270.76	3.17	0.68	0.57	4.71	5.64	0.65	299.36
Disposals	-	-	(0.19)	(29.84)	(5.17)	(0.20)	(0.91)	(0.06)	-	(0.93)	(37.30)
As at March 31, 2024	**-**	**1.14**	**165.53**	**4,628.18**	**24.42**	**4.92**	**9.64**	**58.98**	**92.23**	**3.41**	**4,988.45**
Depreciation for the year	-	0.46	12.87	257.68	2.70	0.69	0.61	2.63	4.95	2.14	284.73
Reclassification	-	-	-	-	-	-	-	-	(7.26)	-	(7.26)
Disposals	-	-	-	(13.96)	(0.18)	(1.19)	(0.27)	-	-	(0.26)	(15.86)
As at March 31, 2025	**-**	**1.60**	**178.40**	**4,871.90**	**26.94**	**4.42**	**9.98**	**61.61**	**89.92**	**5.29**	**5,250.06**
Net Block											
As at March 31, 2025	**111.03**	**12.33**	**256.97**	**2,316.98**	**10.02**	**4.11**	**2.62**	**23.87**	**26.47**	**30.86**	**2,795.26**
As at March 31, 2024	111.03	8.48	268.12	2,480.30	10.28	3.58	2.38	23.99	34.36	27.40	2,969.92

Notes :

a. Feed Stock Conversion Projects from 'LSHS/FO' to 'Gas' acquired under Government of India policy for reimbursement of project cost over a period of five years from the date of commercial production, was capitalized on 01.10.2013. Accordingly, plant and equipment include assets amounting to ₹ 1,215.64 crores (net of decapitalisation) represented by capital grant of ₹ 1,213.06 crores.

b. Assets given on lease included in plant and equipment :

- Cost as at March 31, 2025 is ₹ 9.28 crores (March 31, 2024 ₹ 9.28 crores)
- Depreciation as at March 31, 2025 is ₹ 8.82 crores (March 31, 2024 ₹ 8.82 crores)
- Net block as at March 31, 2025 is ₹ 0.46 crore (March 31, 2024 ₹ 0.46 crore)

c. Additions to property, plant & equipment during the year include ₹ 0.12 crore (previous year: ₹ Nil) used for research and development activities.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

d. Disclosure with respect to the Title deeds of Immovable Property not held in the name of the Company is as below:

A) List of Immovable Properties as at 31.03.2025

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value (₹ Crores)	Title deeds held in the name of	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	Is there any Dispute
Right of use asset	Land leasehold	43.05	Gujarat Industrial Development Corporation, Bharuch	NO	04.09.2012	The lease deed for plots allotted are not executed in favour of GNFC because of the some of the portion of the lands are Gaucher and Government Land are falling in the plot allotted to the Company and lease will be executed after allotment of Gaucher and Government Land to GNFC.	NO

*Promoter here means promotor as defined in Section 2(69) of the Companies Act, 2013

**Relative here means relative as defined in Section 2(77) of the Companies Act, 2013

B) List of Immovable Properties as at 31.03.2024

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value (₹ Crores)	Title deeds held in the name of	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	Is there any Dispute
Right of use asset	Land leasehold	43.05	Gujarat Industrial Development Corporation, Bharuch	NO	04.09.2012	The lease deed for plots allotted are not executed in favour of GNFC because of the some of the portion of the lands are Gaucher and Government Land are falling in the plot allotted to the Company and lease will be executed after allotment of Gaucher and Government Land to GNFC.	NO

*Promoter here means promotor as defined in Section 2(69) of the Companies Act, 2013

**Relative here means relative as defined in Section 2(77) of the Companies Act, 2013

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 5 : Capital Work in Progress

5.1 : Capital work in progress is as under:

- **Gross block** as at March 31, 2025 is ₹ **381.97** crores (March 31, 2024 ₹ 288.52 crores)
- **Net block** as at March 31, 2025 is ₹ **381.97** crores (March 31, 2024 ₹ 288.52 crores)

It mainly includes cost incurred on Coal based captive power plant at dahej (₹ 239.84 crores), AMUGL Project (₹ 26.41 crores), TDI II Dahej Plant (₹ 13.51 crores), Ammonia Plant (₹ 9.77 crores), Urea Plant (₹ 33.18 crores) and Capital Inventory (₹ 35.62 crores).

5.2 : CWIP Ageing Schedule **(₹ Crores)**

Particulars	Amount in CWIP for a period of				Grand Total
	Less than 1 year	1 to 2 year	2 to 3 year	more than 3 years	
As on 31.03.2025					
Projects in progress	167.90	204.23	4.66	5.18	381.97
Projects temporarily suspended	-	-	-	-	-
Total as on 31.03.2025	**167.90**	**204.23**	**4.66**	**5.18**	**381.97**
As on 31.03.2024					
Projects in progress	208.55	73.16	4.24	2.57	288.52
Projects temporarily suspended	-	-	-	-	-
Total as on 31.03.2024	**208.55**	**73.16**	**4.24**	**2.57**	**288.52**

5.3 : CWIP completion schedule For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan. **(₹ Crores)**

Particulars	To be completed in			
	Less than 1 year	1 to 2 year	2 to 3 year	more than 3 years
As on 31.03.2025				
- Projects and Schemes in Progress				
- Urea Reactor replacement	17.53	-	-	-
- Installation of H2 Compressor at ASGP plant	-	11.05		
- Liaison Office Renovation - New Delhi	6.69	-	-	-
- Rock phosphate 2A silo height increase	2.84	-	-	-
- New CMG Office Building	1.90	-	-	-
- Fire fighting system for GNFC Township	1.46	-	-	-
- Installation of Buffer tank EA plant	1.17			
- Filled Carbouy platform construction	1.14			
- Dedicated fibre-optic network	1.09			
- Construction of mechanical workshop for Dry sectin	0.99			
- Additional MTD storage tanks	1.34	-	-	-
- Fire water pump house upgradation S-500869	0.84	-	-	-
- DM water filling & Drainage System upgradation	0.59	-	-	-
- Other Various Modification / Upgradation schemes	2.91	-	-	-
Total as on 31.03.2025	**40.49**	**11.05**	**-**	**-**

None of the projects has exceeded it's cost compared to its original plan except Additional MTD storage tanks which is exceeded by ₹ 0.47 crore.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(₹ Crores)

Particulars	To be completed in			
	Less than 1 year	1 to 2 year	2 to 3 year	more than 3 years
As on 31.03.2024				
- Projects and Schemes in Progress				
- Urea Reactor replacement	-	21.55	-	-
- Ammonia Storage tank D-1003A with double wall	21.99	-	-	-
- 4 MW Solar Power Plant	6.48	-	-	-
- Replace 3 VAM with Screw Chillers	4.67	-	-	-
- Additional MTD storage tanks - S501002	1.86	-	-	-
- Fire fighting system for GNFC Township	1.79	-	-	-
- Installation of Buffer tank EA plant	1.17	-	-	-
- Corporate Building 3rd Floor renovation	1.22	-	-	-
- Fire water pump house upgradation S-500869	-	1.05	-	-
- Replacement of Existing CSL tanks	0.56	-	-	-
- Other Various Modification / Upgradation schemes	3.20	1.05	-	-
Total as on 31.03.2024	**42.94**	**23.65**	**-**	**-**

None of the projects has exceeded it's cost compared to its original plan.

Note 6 : Investment property

(₹ Crores)

Particulars	Building	Total
Cost		
As at April 01, 2023	**50.42**	**50.42**
Additions (subsequent expenditure)	-	-
As at March 31, 2024	**50.42**	**50.42**
Additions (subsequent expenditure)	-	-
As at March 31, 2025	**50.42**	**50.42**
Depreciation		
As at April 01, 2023	**12.64**	**12.64**
Depreciation for the year	0.81	0.81
As at March 31, 2024	**13.45**	**13.45**
Depreciation for the year	0.82	0.82
As at March 31, 2025	**14.27**	**14.27**
Net Block		
As at March 31, 2025	**36.15**	**36.15**
As at March 31, 2024	**36.97**	**36.97**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Information regarding income and expenditure of Investment property **(₹ Crores)**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Rental income derived from Investment properties	**7.30**	7.15
Direct operating expenses (including repairs and maintenance) generating rental income	**(8.87)**	(2.83)
Direct operating expenses (including repairs and maintenance) that did not generate rental income	**(1.03)**	(0.82)
Profit arising from investment property before depreciation and indirect expenses	**(2.60)**	3.50
Less : Depreciation	**(0.82)**	(0.81)
Profit arising from investment property before indirect expenses	**(3.42)**	2.69

(i) As at March 31, 2025 and March 31, 2024 the fair values of the investment property is ₹ **112.57** crores and ₹ 103.91 crores respectively, based on valuations performed by an accredited independent valuer, who is a specialist in valuing such types of investment properties.

(ii) The Company has no restrictions on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

(iii) Fair value hierarchy disclosure for investment properties have been provided in Note 50.2.

Note 7 : Intangible assets **(₹ Crores)**

Particulars	Computer software	Licenses	Others *	Total
Cost				
As at April 01, 2023	**29.88**	**34.29**	**-**	**64.17**
Additions	1.85	-	-	1.85
Deletion **	-	-	-	-
As at March 31, 2024	**31.73**	**34.29**	**-**	**66.02**
Additions	2.60	-	34.16	36.76
Reclassification	-	-	11.44	11.44
Deletion	(0.76)	-	-	(0.76)
As at March 31, 2025	**33.57**	**34.29**	**45.60**	**113.46**
Amortization				
As at April 01, 2023	**24.71**	**20.93**	**-**	**45.64**
Amortization for the year	2.28	1.55	-	3.83
Disposals **	-	-	-	-
As at March 31, 2024	**26.99**	**22.48**	**-**	**49.47**
Amortization for the year	2.29	1.55	9.29	13.13
Reclassification	-	-	7.26	7.26
Disposals	(0.76)	-	-	(0.76)
As at March 31, 2025	**28.52**	**24.03**	**16.55**	**69.10**
Net Block				
As at March 31, 2025	**5.05**	**10.26**	**29.05**	**44.36**
As at March 31, 2024	4.74	11.81	-	16.55

* During the year, the Company has capitalized, the contribution made towards desalination project, as Intangible assets with capitalization date of November 2022.

** Amount for “Computer software” and “total” nullified on conversion to ₹ crores.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 8 : Investments (₹ Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Trade Investments		
(i) Investment in Associate at cost (Unquoted)		
Investment in equity instrument		
(In fully paid up equity shares)		
12,50,000 (previous year 12,50,000) Equity shares of Gujarat Green Revolution Company Limited of ₹ 10/- each	**1.25**	1.25
Total	**1.25**	1.25
Non- Trade Investments		
(i) Investments at fair value through other comprehensive income (FVTOCI) [Refer note (a & b)]		
Investments at FVTOCI		
Investments in equity instruments-quoted		
(In fully paid up equity shares)		
A) 75,00,000 (previous year 75,00,000) Equity Shares of Gujarat State Fertilizers & Chemicals Limited of ₹ 2/- each	**132.96**	146.74
B) 17,59,996 (previous year 17,59,996) Equity Shares of Gujarat Alkalies & Chemicals Limited of ₹ 10/- each	**101.94**	118.53
C) 80,00,000 (previous year 80,00,000) Equity Shares of Gujarat State Petronet Limited of ₹ 10/- each	**233.04**	285.20
D) 2,66,445 (previous year 2,66,445) Equity Shares of Gujarat Gas Limited of ₹ 2/- each	**10.98**	14.50
	478.92	564.97
Investments in equity instruments-unquoted		
A) 2,15,43,200 (previous year 2,15,43,200) equity shares of Gujarat State Petroleum Corporation Limited of ₹ 1/- each	**37.92**	37.74
B) 42,000 (previous year 42,000) equity shares of Bharuch Enviro Infrastructure Limited of ₹ 10/- each	**10.13**	8.83
C) 20,000 (previous year 20,000) equity shares of Gujarat Venture Finance Limited of ₹ 10/- each	**0.68**	0.56
D) 18,39,60,000 (previous year 18,39,60,000) equity shares of Gujarat Chemical Port Limited of ₹ 1/- each (formerly known as Gujarat Chemical Port Terminal Company Limited)	**323.22**	316.41
E) 2,42,10,000 (previous year 2,42,10,000) equity shares of Ecophos GNFC Private Limited of ₹ 10/- each @, #	**- ***	- *
F) 1,35,30,000 (previous year 1,35,30,000) equity shares of Bharuch Dahej Railway Company Limited of ₹ 10/- each	**20.32**	18.37
	392.27	381.91
Total Investments at FVTOCI	**871.19**	946.88

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Particulars	As at March 31, 2025	As at March 31, 2024
(ii) Investments at fair value through profit and loss (FVTPL)		
Investments at FVTPL - Quoted		
A) Investments in InvIT fund of Roadstar infra investment trust (2,00,000 units of ₹ 100/- each) ***	**- ***	-
Investments at FVTPL - Unquoted		
A) Investments in Government securities	**3.57**	3.49
B) Investments in Debentures $ &	**1.00**	7.20
C) Investments in State Development Loans	**2.81**	2.83
Total Investments at FVTPL	**7.38**	13.52
(iii) Investments at amortized cost		
Investments at Amortized cost - Unquoted		
A) Investments in Government securities	**1,300.69**	1,957.46
Total Investments at Amortized cost	**1,300.69**	1,957.46
Non-current	**1,563.03**	2,254.39
Current	**617.48**	664.72
Total investments	**2,180.51**	2,919.11
Aggregate book value of quoted investments and market value thereof	**478.92**	564.97
Aggregate amount of unquoted investments	**1,701.59**	2,354.14

* Amount nullified on conversion to ₹ crores.

@ The Company is carrying physical share certificate in respect of this investment.

\# M/s Ecophos GNFC India Private Limited (EGIPL) is the joint venture company formed by the Company and M/s Ecophos S.A - a Belgium based company for manufacturing of Di-Calcium Phosphate (DCP) at Dahej location. The Company holds 15% shareholding of EGIPL at issued value of ₹ 24.21 crores. During the FY 2019-20, M/s Eophos S.A. (shareholder) holding 85% shareholding of EGIPL had applied for bankruptcy. Consequently all the nominee directors of EGIPL, Managing Director and Company Secretary of EGIPL resigned. Plant installation for manufacturing of DCP didn't commenced. Accordingly, the Company valued such investment as at March 31, 2025 and as at March 31, 2024 at the nominal consideration of ₹ 1.

$ The Company had acquired various securities from GNFC-EPFT which includes investments in various long term secured/unsecured Non-Convertible Debentures (NCD) issued by IL&FS Group. Such investments have been recorded at the nominal fair values of ₹ 4.94 only (i.e. ₹ 1 for each security reduced by the amount received till date) as against total face value of ₹ 26.07 crores as on 31.03.2025.

Further, during the year, the Company has received ₹ 3.56 crores from Reliance Capital as full and final settlement towards investments in its two non-convertible debentures series. The Company had already made good the loss while transferring the PF corpus to the Employees' Provident Fund Organisation (EPFO) by considering the fair value of securities at ₹ 1 each. Total face value of investments was ₹ 6 crores.

& During the previous year, investments in one of the NCDs of AP Power Fin Corp Ltd was matured however the maturity amount was not received till the 31.03.2024. Accordingly, the Company had fair valued the total investment of ₹ 7.50 crores (including the NCD of ₹ 1.50 crores, which was yet not matured) made in AP Power Fin Corp Ltd at ₹ 2 as on 31.03.2024. During the current year, the Company has received the maturity amount of the said investments along with interest thereon.

*** During the year, the Company received 2,00,000 units of Roadstar Infra Investment Trust (RIIT) having a face value of ₹ 100 per unit, aggregating to ₹ 2 crores, under Round 2 and Round 3 of interim distribution from IL&FS. Although these units are listed on the stock exchange, there has been no active trading and fair price discovery remains pending. Consequently, the Company has recognised the investment at a nominal fair value of ₹ 0.22 as on 31.03.2025.

(a) The fair value of the quoted equity investments are derived from quoted market prices in active market.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(b) Investments include investment in unquoted equity shares. Fair value of unquoted investment in equity instrument have been carried out by independent valuer using Net Assets Value model and comparable companies model following Market Approach and Asset Approach. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk, volatility, net assets and market multiples. The probabilities of various estimates within the range can be reasonably assessed and are used in management's estimates for fair value for these unquoted equity instruments.

Reconciliation of fair value measurement of the investments in equity shares **(₹ Crores)**

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Opening Balance	**946.88**	997.82
Add : Fair value gain/(loss) recognised in Other Comprehensive Income	**(75.69)**	(50.94)
Closing Balance	**871.19**	946.88

Note 9 : Loans and advances

(₹ Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Current		
Loans		
Considered good		
Deposits with a body corporate (unsecured)	**545.00**	350.00
Loans to employees * # @	**20.20**	19.56
Total	**565.20**	369.56
Non-Current		
Loans		
Considered good		
Loans to employees * # @	**161.23**	138.03
Unsecured - considered doubtful		
Loan to / other recoverable from employee	**1.70**	1.57
Less: Provision for doubtful loans	**(1.70)**	(1.57)
	-	-
Loan to other companies	**0.40**	0.40
Less: Provision for doubtful loans	**(0.40)**	(0.40)
	-	-
Total	**161.23**	138.03
Total loans and advances	**726.43**	507.59

* includes gross interest accrued ₹ 3.24 crores (previous year ₹ 3.89 crores) in current loans to employees and of ₹ 35.96 crores (previous year ₹ 32.95 crores) in non-current loans to employees.

No loans are due from Promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

@ includes secured Loans to employees having fair value of ₹ 13.07 crores (previous year ₹ 12.12 crores) in current and ₹ 138.38 crores (previous year ₹ 112.41 crores) in non-current amount. Employees have mortgaged / hypothecated their Buildings and Vehicles to the Company.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 10 : Other financial assets (₹ Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Current		
Other financial assets		
Accrued interest	**125.03**	93.17
Other receivables	**0.03**	0.03
Export benefit receivable	**0.09**	0.07
Total	**125.15**	93.27
Non-Current		
Other financial assets		
Deposits with suppliers	**18.33**	18.70
Other receivables *	**-**	-
Deposits with suppliers & other receivable	**0.03**	0.69
Less: Provision for doubtful receivables	**(0.03)**	(0.69)
	-	-
Total	**18.33**	18.70
Total other financial assets	**143.48**	111.97

* Amount nullified on conversion to ₹ crores.

Note 11 : Trade receivables (₹ Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables		
- Secured, Considered good	**21.63**	23.97
- Unsecured, Considered good	**138.75**	172.13
- Unsecured, Credit impaired	**1.63**	7.70
Subsidy receivables (Considered good)		
- Unsecured, Considered good	**262.20**	430.29
	424.21	634.09
Less : Impairment Allowances (Allowance for doubtful debts)		
Trade receivables		
- Credit impaired	**(1.63)**	(7.70)
Total	**422.58**	626.39

Note:

a) Refer Note 44 for Ageing of Trade receivables as on March 31, 2025 and March 31, 2024.

b) No trade or other receivables are due from Directors or other officers of the Company either severally or jointly with any other person; nor any trade or other receivables are due from firms or private companies in which any Director is a partner, a director or a member.

c) The fair value of trade receivables (including subsidy receivables) is not materially different from the carrying value presented.

d) Trade receivables are non interest bearing and are generally on terms of 30 to 90 days. Trade receivables of (n)Code division (IT) are of ₹ 32.60 crores (previous year ₹ 63.99 crores) are governed by the terms of respective contract agreement. Out of the dues, the Company has provided impairment allowance of ₹ 1.63 crores as on March 31, 2025 (as on March 31, 2024: ₹ 7.30 crores) based on credit risk model followed by the Company.

e) Subsidy receivables represents amount receivable from government against sale of fertilizers.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 12: Other non-current assets

(₹ Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Unamortized value of employee loan benefits *	**34.76**	29.30
Capital advances **	**227.41**	42.21
Deposits / Recoverable balances from customs, VAT and others	**0.01**	0.01
Prepaid expense	**0.14**	0.14
Unsecured - considered doubtful		
Advances to suppliers	**1.64**	1.64
Less: Provision for doubtful advances	**(1.64)**	(1.64)
	-	-
Balances / deposits of recoverable customs, taxes, cess etc.	**4.34**	4.19
Less: Provision for doubtful balances	**(4.34)**	(4.19)
	-	-
Receivable from others	**4.14**	4.14
Less: Provision for doubtful balances	**(4.14)**	(4.14)
	-	-
Total	**262.32**	71.66

* It includes impact of change in the employee loan valuation modelling and data correction in the previous financial year.

** Amount as at March 31, 2024 includes ₹ 34.16 crores as advance given to Gujarat Industrial Development Corporation (GIDC), Bharuch towards Company's contribution for 100 MLD Sea Water Reverse Osmosis (SWRO) desalination project at Dahej location. The Project has already completed and the Company has already started receiving committed water supply. As per the terms of the agreement, Special Purpose Vehicle (SPV) has been formed by the GIDC named "Dahej Desal Foundation". However, till date no further Communication received from GIDC in respect of mode of settlement of capital contribution in terms of shares of ownership towards the participation in SPV and hence during the current year the Company as capitalized the amount as intangible assets in books.

Note 13 : Inventories (Valued at lower of Cost and Net realisable value)

(₹ Crores)

Particulars		As at March 31, 2025		As at March 31, 2024
Raw materials		**362.97**		365.98
(Includes in transit inventory as on March 31, 2025 ₹ 178.62 crores; as on March 31, 2024 - ₹ 82.36 crores)				
Work-in-progress *		**81.49**		60.98
Finished goods *		**143.65**		175.97
Traded goods		**2.24**		2.05
Stores and spares (Including coal)	**710.47**		559.21	
(Includes in transit inventory as on March 31, 2025 ₹ 0.33 crore; as on March 31, 2024 ₹ 8.83 crores)				
Less: Provision for excess inventory	**(43.61)**	**666.86**	(44.80)	514.41
Total		**1,257.21**		1,119.39

* During the current year, the Company has adjusted inventories of finished goods by ₹ 11.45 crores (previous year ₹ 3.80 crores) and Work-in-progress by ₹ 3.78 crores (Previous year ₹ 0.91 crore) so as to value such inventories at net realizable value.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 14: Cash and cash equivalents

(₹ Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents		
Balances with banks in:		
Current accounts	**0.75**	10.09
Debit balance in cash credit and overdraft accounts	**17.73**	32.42
Cash on hand	**0.07**	0.05
Total	**18.55**	42.56

Note 15 : Other bank balances

(₹ Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks		
Unpaid dividend accounts	**24.70**	20.59
Bank balances in escrow accounts *	**40.76**	51.01
Bank balances in Unspent CSR accounts	**7.53**	-
Deposit with original maturity more than 3 months but remaining maturities of less than 12 months #	**2,216.86**	1,414.74
Total	**2,289.85**	1,486.34

* Balance in escrow account represents amount received as Earnest Money Deposit & Tender fees against e-auction done on behalf of various local authorities of Government of Gujarat. Corresponding liability is disclosed in Note 21 as "Other current financial liabilities".

\# Includes ₹ 702.86 crores (previous year ₹ 474.74 crores) pledged with lenders and Government authorities.

Note 16 : Other current assets

(₹ Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Deposits / Recoverable balances from customs, VAT and others	**0.17**	0.68
Advance to suppliers	**32.74**	33.15
Goods and Service Tax Receivable	**14.04**	23.07
Contract assets *	**1.28**	1.95
Receivable from others	**0.15**	0.77
Prepaid expenses	**10.46**	15.93
Unamortized employee loan benefits **	**4.30**	4.00
Energy savings certificates $	**-**	-
Total	**63.14**	79.55

* Classified as non financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

** It includes impact of change in the employee loan valuation modelling and data correction in the previous financial year.

$ Amount nullified on conversion to ₹ crores.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 17 : Share capital

(₹ Crores)

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	₹ Crores	No. of shares	₹ Crores
Authorised share capital				
Equity shares of ₹ 10 each	**25,00,00,000**	**250.00**	25,00,00,000	250.00
	25,00,00,000	**250.00**	25,00,00,000	250.00
Issued, subscribed and fully paid up				
Equity shares of ₹ 10 each subscribed and fully paid up	**14,69,40,683**	**146.94**	14,69,40,683	146.94
Total issued, subscribed and fully paid up share capital	**14,69,40,683**	**146.94**	14,69,40,683	146.94

17.1. Reconciliation of shares outstanding at the beginning and at the end of the reporting period

(₹ Crores)

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	₹ Crores	No. of shares	₹ Crores
Equity Shares				
At the beginning of the year	**14,69,40,683**	**146.94**	15,54,18,783	155.42
Changes in Equity Share Capital due to prior period errors	**-**	**-**	-	-
Restated balance at the beginning of the year	**14,69,40,683**	**146.94**	15,54,18,783	155.42
Shares extinguished on buy-back during the year	**-**	**-**	(84,78,100)	(8.48)
Outstanding at the end of the year	**14,69,40,683**	**146.94**	14,69,40,683	146.94

Note :

During the previous year, the Company has bought back 84,78,100 equity shares for an aggregate amount of ₹ 652.81 crores being 5.46% of pre-buy back fully paid up equity share capital at ₹ 770 per equity share. The equity shares bought back were extinguished on December 21, 2023.

17.2. Terms/rights attached to the equity shares

Rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having par value of ₹ 10 per share, i.e. equity shares which rank pari passu in all respects. Each holder of equity share is entitled to one vote per share.

For the current financial year 2024-25, the Company has proposed dividend of ₹ 18 per equity share to equity shareholder (for the previous financial year dividend of ₹ 16.50/- per share declared). The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

17.3. Number of Shares held by each shareholder holding more than 5% Shares in the Company

Name of the shareholders	As at March 31, 2025		As at March 31, 2024	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Gujarat State Investments Ltd.	**3,15,07,658**	**21.44%**	3,15,07,658	21.44%
Gujarat State Fertilizers & Chemicals Ltd.	**2,91,86,009**	**19.86%**	2,91,86,009	19.86%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

17.4. Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at March 31, 2025 is as follows :

Name of the Promoter	As at March 31, 2025		As at March 31, 2024		% Change during the year
	No. of shares	% of shareholding	No. of shares	% of shareholding	
Gujarat State Investments Ltd.	**3,15,07,658**	**21.44%**	3,15,07,658	21.44%	0.00%
Gujarat State Fertilizers & Chemicals Ltd.	**2,91,86,009**	**19.86%**	2,91,86,009	19.86%	0.00%

Disclosure of shareholding of promoters as at March 31, 2024 is as follows :

Name of the Promoter	As at March 31, 2024		As at March 31, 2023		% Change during the year
	No. of shares	% of shareholding	No. of shares	% of shareholding	
Gujarat State Investments Ltd.	**3,15,07,658**	**21.44%**	3,32,27,546	21.38%	0.30%
Gujarat State Fertilizers & Chemicals Ltd.	**2,91,86,009**	**19.86%**	3,07,79,167	19.80%	0.30%

Note 18 : Other equity

Note 18.1 Reserves and surplus

(₹ Crores)

Particulars	Capital Reserve	Capital Redemption Reserve (CRR)	Securities Premium	General Reserve	Retained Earnings	Total
As at April 01, 2023	**0.64**	**-**	**313.31**	**2,679.76**	**5,115.16**	**8,108.87**
Profit for the year					484.79	484.79
Re-measurement gain on defined benefit plans (net of tax)					(4.14)	(4.14)
Balance available for appropriation					**5,595.81**	**8,589.52**
Less : Appropriations						
Transfer to General reserve				500.00	(500.00)	-
Dividend paid during the year					466.26	466.26
Expenses for buy-back of equity shares					4.98	4.98
Tax on buy-back of equity shares					150.10	150.10
Transfer to Capital Redemption Reserve		8.48			(8.48)	-
Buy-back of equity shares			313.31		331.03	644.34
As at March 31, 2024	**0.64**	**8.48**	**-**	**3,179.76**	**4,134.96**	**7,323.84**
Profit for the year					585.52	585.52
Re-measurement gain on defined benefit plans (net of tax)					(15.08)	(15.08)
Balance available for appropriation					**4,705.40**	**7,894.28**
Less : Appropriations						
Transfer to General reserve				250.00	(250.00)	-
Dividend paid during the year					242.45	242.45
As at March 31, 2025	**0.64**	**8.48**	**-**	**3,429.76**	**4,212.95**	**7,651.83**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Securities Premium:

Securities premium is used to record the premium on issue of shares. This reserve is utilized in accordance with the provision of section 52 (2) (c) of the Companies Act, 2013. During the previous year, it was utilized against the buy back of equity shares.

Capital redemption reserve:

As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

Note 18.2 Other comprehensive income (OCI) **(₹ Crores)**

Particulars	Net gain / (loss) on FVTOCI equity Investments	Total
As at April 01, 2023	**742.07**	**742.07**
Other comprehensive income / (expense) during the year :		
Net (loss) on FVTOCI equity investments for the year	(50.94)	(50.94)
Income tax effect	35.83	35.83
As at March 31, 2024	**726.96**	**726.96**
Other comprehensive income / (expense) during the year :		
Net (loss) on FVTOCI equity investments for the year	(75.69)	(75.69)
Income tax effect	2.33	2.33
As at March 31, 2025	**653.60**	**653.60**

Note 18.3 Dividend distribution made and proposed **(₹ Crores)**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Cash dividends on equity shares declared and paid		
Final dividend for year ended March 31, 2024: ₹ 16.50 per share (March 31, 2023: ₹ 30 per share)	**242.45**	466.26
Proposed dividends on equity shares		
Final cash dividend proposed for the year ended March 31, 2025: ₹ 18 per share (March 31, 2024: ₹ 16.50 per share)	**264.49**	242.45

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at balance sheet date.

Note 19 : Borrowings **(₹ Crores)**

Particulars	As at March 31, 2025	As at March 31, 2024
Short-term interest bearing borrowings		
Secured		
From Bank-cash credit and overdraft accounts	**99.16**	0.56
Total	**99.16**	0.56

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Security details

Short term borrowings from banks as cash credit and overdraft accounts of ₹ 99.16 crores (March 31, 2024: ₹ 0.56 crore) are secured by first charge by way of hypothecation of inventories and trade receivables and all other movable assets, both present and future and further secured by second charge by way of mortgage on all immovable properties. These charges are ranking pari-passu among the working capital lenders.

Interest rate details for short term borrowings:

(i) Cash credit and overdrafts facilities carries interest rates ranging from 8.00% to 10.10% p.a.

Note 20 : Trade payables **(₹ Crores)**

Particulars	As at March 31, 2025	As at March 31, 2024
(A) total outstanding dues of micro, small and medium enterprises	**25.23**	33.28
(B) total outstanding dues of creditors other than micro, small and medium enterprises	**469.65**	489.12
Total	**494.88**	522.40

- Refer Note 45 for Ageing of Trade payables as on March 31, 2025 and March 31, 2024.

(₹ Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 as amended ("MSMED Act"):		
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	**25.23**	33.28
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	**-**	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	**-**	-
(iv) The amount of interest due and payable for the year	**-**	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	**0.59**	0.59
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	**-**	-

Dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 21 : Other current financial liabilities (₹ Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Current		
Other financial liabilities at amortised cost		
Liability towards capital grant received (net) (*)	**85.06**	85.06
Deposits / retention money from customers / vendors / others	**35.88**	36.53
Payable for capital goods @	**18.43**	31.05
Rebate / discounts payable to customers	**42.91**	44.18
Liability towards employee benefit	**56.48**	63.01
Liability for Escrow Accounts $	**40.76**	51.01
Unclaimed dividends #	**24.70**	20.59
Fair Value of Derivative contracts	**3.08**	0.20
Interest payable on delayed MSME payments	**0.59**	0.59
Liability for unspent CSR expense	**31.00**	11.53
Total	**338.89**	343.75
Non - Current		
Deposit / Retention money from customers / vendors	**2.65**	5.11
Total	**2.65**	5.11
Total other financial liabilities	**341.54**	348.86

* The capital grant of ₹ 1,213.06 crores from Government of India, Ministry of Chemicals & Fertilizers, Department of Fertilizers for feed stock conversion project from 'LSHS/FO' to 'Gas' vide sanction letter no 14023/22/2007-FP dated 14.12.2009 has accrued to the Company since the conditions attached to the grant have been fulfilled by the Company. Till date, the government had disbursed ₹ 1,146.43 crores towards capital grant as against ₹ 1,213.06 crores and ₹ 348.45 crores towards grant as reimbursement of borrowing cost as against total borrowing cost of ₹ 195.47 crores. Accordingly, the Company has, pending settlement, recorded a net liability of ₹ 85.06 crores (net of adjustment of receivable against return on investment of ₹ 1.29 crores) towards capital grant.

@ Includes ₹ 5.41 crores (March 31, 2024 : ₹ 7.54 crores) payable to Micro, Small and Medium Enterprises which have been determined to the extent such parties have been identified on the basis of information collected by the Management.

$ Escrow account liability represents amount received as Earnest Money Deposit & Tender fees against e-auction done on behalf of various local authorities of Government of Gujarat. Corresponding asset is disclosed in Note 15 as "Bank balances in escrow accounts".

Not due for credit to "Investors Education and Protection Fund".

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(a) Disclosure with regards to changes in liabilities arising from financing activities as per Ind AS 7 Statement of Cash Flows:

Disclosure of changes in liabilities arising from financing activities, including changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses) is as under:

(₹ Crores)

Particulars	Borrowings (includes Current Maturities) and Interest accrued but not due	Unclaimed Dividend	Derivatives	Total
As on April 01, 2023	**-**	**14.89**	**1.14**	**16.03**
Net Cash Flow	(10.04)	(460.56)	(2.47)	(473.07)
Changes in Fair Value	-	-	1.53	1.53
Charged to P&L during the year	10.04	-	-	10.04
Dividend recognised during the year	-	466.26	-	466.26
As on March 31, 2024	**-**	**20.59**	**0.20**	**20.79**
Net Cash Flow	(21.67)	(238.34)	(1.94)	(261.95)
Changes in Fair Value	-	-	4.82	4.82
Charged to P&L during the year	21.67	-	-	21.67
Dividend recognised during the year	-	242.45	-	242.45
As on March 31, 2025	**-**	**24.70**	**3.08**	**27.78**

Note 22 : Provisions (Non-current)

(₹ Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for leave encashment	**241.29**	231.15
Provision for post retirement medical benefit (refer Note 41)	**115.19**	98.60
Provision for contingencies *	**213.82**	160.01
Total	**570.30**	489.76

* These provisions represent estimates made mainly for probable claims arising out of litigations / disputes pending with authorities under various statutes (Excise duty) and with other parties. The probability and the timing of the outflow with regard to these matters depend on the final outcome of the litigations/disputes. Hence, the Company is not able to reasonably ascertain the timing of the outflow. The movement of other provision is as under:

(₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Opening balance	**160.01**	108.97
Provision made during the year	**53.81**	51.04
Closing balance	**213.82**	160.01

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 23 : Government grant (Deferred Income) (₹ Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Current		
Grant from Government of India (refer note a)	**60.65**	60.65
Government grant of Export Promotion Capital Grant (EPCG) (refer note b)	**-**	8.70
Other Government grant	**0.14**	0.14
Total	**60.79**	69.49
Non Current		
Grant from Government of India (refer note a)	**454.90**	515.55
Other Government grant	**0.36**	0.50
Total	**455.26**	516.05
Total government grant (deferred income)	**516.05**	585.54

(a) Movement in Grant from Government of India (₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Opening	**576.20**	636.86
Amortised to statement of profit and loss	**(60.65)**	(60.66)
Closing	**515.55**	576.20

The capital grant from Government of India, Ministry of Chemicals & Fertilizers, Department of Fertilizers for feed stock conversion project from 'LSHS/FO' to 'Gas' vide sanction letter no 14023/22/2007-FP dated 14.12.2009 has accrued to the Company since the conditions attached to the grant have been fulfilled by the Company. Accordingly, the grant of ₹ 1,213.06 crores was recorded as deferred income as contemplated under Para 7 and 12 of Ind AS - 20 on 'Accounting for Government Grants and Disclosure of Government Assistance' and it is being amortized over the useful life of the corresponding assets. The aforesaid grant has been disbursed by the Government of India.

(b) Movement in Government grant of EPCG (₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Opening	**8.70**	5.36
Add: Reversal of earlier year's recognised amount as grant income.	**-**	3.34
Less: Payment made due to non-fulfilment of EPCG obligation	**(8.70)**	-
Closing	**-**	8.70

Note 24 : Other liabilities (₹ Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory and other liabilities	**44.96**	34.10
Other current liabilities (Refer Note 43 (A))	**24.34**	25.03
Contract liabilities (including advance from customers)	**31.17**	32.95
Total other liabilities	**100.47**	92.08

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 25 : Provisions (current) **(₹ Crores)**

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for gratuity (Refer Note 41)	**4.84**	0.76
Provision for leave encashment	**32.29**	46.11
Provision for post retirement medical benefit (Refer Note 41)	**4.49**	3.71
Provision for contingencies **	**1.59**	1.59
Total	**43.21**	**52.17**

** The Company had created a contingency provision for possible contractual obligation of IT business. The movement of other provision is as under:

(₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Opening balance	**1.59**	1.59
Provision made during the year	**-**	-
Amount utilised / reversed during the year	**-**	-
Closing balance	**1.59**	1.59

Note 26 : Income Tax

The major component of income tax expenses for the year ended March 31, 2025 and March 31, 2024 are as under

a) Statement of Profit and Loss Section **(₹ Crores)**

Particulars		Year Ended March 31, 2025	Year Ended March 31, 2024
Current Income tax			
Current tax charges	A	**216.90**	168.20
Earlier year tax adjustments-short / (excess) (refer note (f) below)	B	**7.18**	36.66
Deferred Tax			
- Relating to origination and reversal of temporary differences	C	**(19.21)**	(38.54)
Tax Expense reported in the Statement of Profit and Loss	A+B+C	**204.87**	166.32
Other Comprehensive Income ('OCI') Section			
Income tax / Deferred tax related to items recognised in OCI during the year :			
- Remeasurement losses on defined benefit plans, credit / (charge)		**5.07**	1.39
- Unrealised gain / loss on FVTOCI equity investments, credit / (charge)		**2.33**	35.83
		7.40	37.22

b) Balance Sheet Section **(₹ Crores)**

Particulars	As at March 31, 2025	As at March 31, 2024
Income tax assets (net)	**40.43**	70.17
Liabilities for current tax (net)	**(7.56)**	(0.04)
Net tax asset / (liability) outstanding	**32.87**	70.13

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

c) Reconciliation of tax expenses and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2025 and March 31, 2024

(₹ Crores)

Particulars	Year ended March 31, 2025		Year ended March 31, 2024	
	%	Amount	%	Amount
Profit Before tax		**790.39**		651.11
Tax using domestic tax rate for Company	**25.17%**	**198.93**	25.17%	163.87
Tax Effect of:				
Deduction u/s 80M	**(0.74%)**	**(5.88)**	(1.13%)	(7.35)
Non-deductible expenses	**1.13%**	**8.97**	1.33%	8.63
Sale of assets & asset written off	**0.04%**	**0.29**	0.25%	1.62
Right of Use Asset - Ind AS 116	**(0.04%)**	**(0.30)**	(0.05%)	(0.30)
Adjustment in depreciation net book value of assets	**1.38%**	**10.89**	(0.10%)	(0.68)
Buy Back Expenses claimed	**-**	**-**	(0.19%)	(1.25)
Previous Year short/ excess I Tax ROI diff	**0.91%**	**7.18**	-	(4.11)
Contribution for 4 MLD Desalination plant - Dahej Claim as a revenue	**(1.09%)**	**(8.60)**	-	-
Bonus	**(1.11%)**	**(8.79)**	-	5.76
Other adjustments	**0.28%**	**2.18**	0.02%	0.13
Effective tax rate and tax expenses as per Books	**25.92%**	**204.87**	25.54%	166.32

d) Deferred Tax Liability (net)

(₹ Crores)

Particulars	Balance Sheet as at		Statement of Profit and Loss	
	March 31, 2025	March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
(Liability) on Accelerated depreciation for tax purpose	**(462.62)**	(488.88)	**(26.26)**	(39.09)
Assets on provision for Leave encashment	**66.88**	67.81	**0.93**	1.42
Assets on deferred government grant of ASGP	**129.75**	145.02	**15.27**	15.26
Assets on deferred government grant of EPCG & other	**0.13**	2.35	**2.22**	(0.80)
Assets on Provision for doubtful debts and advances	**68.68**	57.06	**(11.62)**	(16.44)
(Liability) on equity investment FVTOCI	**(60.17)**	(62.50)	**(2.33)**	(35.83)
Assets on other adjustments	**9.36**	9.61	**0.25**	1.11
Total	**(247.99)**	(269.53)	**(21.54)**	(74.37)

e) Reconciliation of deferred tax liabilities (net)

(₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Opening balance as of April 01	**269.53**	343.90
Tax (credit) / expenses during the period recognised in statement of profit and loss	**(19.21)**	(38.54)
Tax charge / (credit) during the period recognised in OCI	**(2.33)**	(35.83)
Closing balance as of March 31	**247.99**	269.53

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

f) Based on reconciliation of income tax liabilities pertaining to current tax provision of earlier years as per books of account with tax liabilities acknowledged in respective year's income tax return / assessed tax liabilities, during the current year short provision of ₹ 7.18 crores (previous year ₹ 36.66 crores) has been charged to tax expense in books of accounts.

Note 27 : Revenue from operations **(₹ Crores)**

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
27.1		
Sale of products		
Own products (refer below note 27.2)	**7,743.34**	7,697.66
Traded products	**46.44**	76.55
	7,789.78	7,774.21
Rendering of services	**68.62**	120.49
Other operating revenue		
Export incentive	**0.12**	1.79
Recovery of administrative charges (Fly Ash)	**8.68**	6.41
Sale of scrap / surplus / unserviceable materials	**25.25**	26.83
	34.05	35.03
Total	**7,892.45**	7,929.73
27.2 - Sale of own products above includes:		
Subsidy from Government of India under New Urea Policy / Retention Price Scheme / Nutrient Based Subsidy Scheme (including escalation / de-escalation)		
- Pertaining to current year	**2,144.92**	2,240.86
- Pertaining to earlier year recognised during current year	**(35.28)**	(21.57)
Total	**2,109.64**	2,219.29
27.3 - Timing of revenue recognition		
Goods transferred / services rendered at point in time	**7,880.58**	7,890.72
Services transferred over time	**11.87**	39.01
Total	**7,892.45**	7,929.73

27.4 There are no inter-segment transfers in case of revenue from contracts with customers, accordingly no reconciliation is required with amounts disclosed in the segment information.

27.5 Reconciliation of amounts of revenue recognized in the statement of profit and loss with the contracted price. **(₹ Crores)**

Particulars		Year Ended March 31, 2025	Year Ended March 31, 2024
Gross Revenue as per contracted price with customer		**6,220.35**	6,116.59
Adjustments:			
Rebates / discounts / incentives		**(399.36)**	(374.99)
Dealer's margin		**(38.18)**	(31.16)
Net Revenue as per contracted price with customer	**A**	**5,782.81**	5,710.44
Subsidy income from Government of India	**B**	**2,109.64**	2,219.29
Total Revenue from operations	**A+B**	**7,892.45**	7,929.73

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 28 : Other income (₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Grant income	**60.80**	57.47
Interest income *	**316.78**	336.32
Lease rental income	**8.73**	8.46
Gain (adjustment) on decapitalisation of property, plant and equipment	**0.12**	0.30
Unclaimed liabilities / excess provision for doubtful debt written back	**51.40**	18.29
Dividend income **	**23.38**	29.20
Exchange variance gain on monetary items	**-**	1.12
Profit on sale of property, plant and equipments (net of losses)	**0.04**	0.19
Insurance claim	**8.84**	0.01
Fair valuation gain on investments measured at FVTPL (net)	**1.55**	-
Gain on sale of investments carried at FVTPL	**0.01**	0.15
Gain on Lease modification/ termination (net of losses)	**-**	0.01
Miscellaneous income # $	**29.32**	17.68
Total	**500.97**	469.20

* Including ₹ 11.70 crores (previous year ₹ 12.23 crores) on FVTPL Financial Assets.

** Including ₹ 23.25 crores (previous year ₹ 29.07 crores) on FVTOCI Financial Assets.

Miscellaneous income for the current year includes ₹ 6 crores received towards maturity amount of non-convertible debentures of AP Power Fin Corp Ltd. The said investment was matured during the previous year however the maturity amount was not received till the 31.03.2024 and accordingly it was fair valued to ₹ 1 during the previous year. therefore, the aforesaid receipt has been recorded as income of the Company.

$ Miscellaneous income for the current year includes ₹ 3.06 crores (previous year ₹ 2.50 crores) received from IL&FS Financial Services Limited as interim distribution towards investments in its non-convertible debentures.

Further, it includes ₹ 3.56 crores (previous year ₹ Nil) received from Reliance Capital as full and final settlement towards investments in its non-convertible debentures. The Company had already made good the loss while transferring the PF corpus to the Employees' Provident Fund Organisation (EPFO) by considering the fair value of securities at ₹ 1 each and therefore, the aforesaid receipt has been recorded as income of the Company.

Note 29: Cost of raw materials consumed (₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Inventory at the beginning of the year	**365.98**	388.97
Add : Purchases	**4,451.07**	4,360.49
	4,817.05	4,749.46
Less : Inventory at the end of the year	**362.97**	365.98
Total	**4,454.08**	4,383.48

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 30 : Changes in inventories of finished goods, work-in-progress and traded goods

(₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Inventory at the beginning of the year		
Work-in-progress	**60.98**	38.32
Finished goods	**175.97**	177.76
Traded goods	**2.05**	2.78
	239.00	218.86
Inventory at the end of the period		
Work-in-progress	**81.49**	60.98
Finished goods	**143.65**	175.97
Traded goods	**2.24**	2.05
	227.38	239.00
Total	**11.62**	(20.14)

Note 31 : Employee benefits expense

(₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Salaries and wages	**429.33**	443.37
Contribution to provident and pension fund (refer Note 41)	**51.11**	60.89
Contribution and provision towards gratuity (refer Note 41)	**19.17**	14.94
Employees' welfare expenses *	**66.46**	106.24
Total	**566.07**	625.44

* Employees' welfare expenses for previous year ended March 31, 2024 includes ₹ 20.55 crores (net) (including ₹ 21.48 crores relating to earlier years and reversal of ₹ 0.93 crore related to FY 23-24) being impact of change in the employee loan valuation modelling and data correction in the previous financial year.

Note 32 : Finance costs

(₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Interest on borrowings	**5.28**	8.00
Interest others	**16.11**	1.86
Bank charges and commission	**1.28**	2.48
Interest on lease liability (refer Note 39)	**0.28**	0.18
Total	**22.95**	12.52

Note 33 : Depreciation and amortization

(₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Depreciation on property, plant and equipment (refer Note 4)	**284.73**	299.36
Depreciation on investment property (refer Note 6)	**0.82**	0.81
Amortization on intangible assets (refer Note 7)	**13.13**	3.83
Depreciation on RoU assets (refer Note 39)	**4.15**	3.54
Total	**302.83**	307.54

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 34 : Other expenses **(₹ Crores)**

Particulars		Year Ended March 31, 2025		Year Ended March 31, 2024
Stores, chemicals and catalysts		**108.69**		147.03
Packing expenses		**79.08**		89.11
Insurance		**23.90**		29.46
Repairs and maintenance :				
- Building	**11.12**		8.79	
- Plant and equipment	**174.82**		153.98	
- Others	**6.94**	**192.88**	7.15	169.92
Material handling expenses		**13.09**		12.90
Outward freight and other charges		**91.60**		92.37
Sales promotion expenses		**5.48**		9.89
Selling commission		**0.85**		0.13
Rates & taxes		**4.30**		4.52
Operating lease Rent		**3.09**		3.35
Printing & stationery, communication and advertisement expense		**2.66**		3.99
Traveling and conveyance expenses		**4.63**		4.51
Fire fighting, safety and security expenses		**13.00**		10.90
Electricity charges		**3.04**		2.84
Professional and consultancy charges		**4.20**		5.51
Payment for contract services		**21.09**		20.06
Exchange variance on monetary items		**0.90**		-
Director's fees		**0.24**		0.23
Payment to auditors (refer note (a) below)		**0.48**		0.48
Donations		**-**		0.05
Contributions towards corporate social responsibilities (refer Note 40)		**9.22**		22.70
Provision for unspent CSR obligation		**23.42**		11.53
Premium on forward contracts		**1.94**		2.47
Provision for doubtful debts / advances		**0.73**		4.08
Provision for excess inventory		**14.79**		20.95
Advances / Bad debts / other receivables written off		**0.04**		0.42
Provision for contingencies		**53.81**		51.04
Fair valuation loss on investments measured at FVTPL (net) (Refer note 8 (&))		**-**		7.53
Inventory written off	**0.51**		0.67	
Less: Utilization of provision for inventory obsolescence	**(0.51)**	**-**	(0.67)	-
Assets written off		**1.17**		6.61
Miscellaneous expenses *		**52.48**		56.83
Total		**730.80**		791.41

* Includes ₹ 25.08 crores (previous year ₹ 34.15 crores) related to by-product & waste handling expense.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(a) Payment to auditors includes following : (₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Payments to Statutory Auditors comprise: (Net of GST Input Credit, where applicable)		
As auditor:		
(i) Statutory audit fees	**0.15**	0.14
(ii) Limited review fees	**0.11**	0.10
In other capacity:		
(i) Certification fees	**0.17**	0.20
(ii) Tax audit fees	**0.04**	0.03
Reimbursement of expenses	**0.01**	0.01
Total	**0.48**	0.48

Note 35 : Earnings per share

Particulars	Unit	Year ended March 31, 2025	Year ended March 31, 2024
Net profit after tax	₹ Crores	**585.52**	484.79
Weighted average number of equity shares of nominal value of ₹ 10 each in calculating Earnings Per Share	Nos.	**14,69,40,683**	15,30,79,198
Basic and diluted earnings per share	₹	**39.85**	31.67

Note 36 : Contingent liabilities and other commitments (to the extent not provided for) (₹ Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
(A) Contingent liabilities		
(i) Claims against the Company not acknowledged as debts (In the nature of business contractual claims)	**219.71**	216.07
(ii) Liability under Employees' State Insurance Act, 1948 for contract labour	**Amount not ascertainable**	-
(iii) Income tax assessment orders contested	**22.24**	21.80
(iv) Demands in respect of Central Excise Duty, Custom Duty, Service Tax, GST and Value Added Tax as estimated by the Company	**118.76**	178.22
Total contingent liabilities	**360.71**	416.09
In respect of the above, the expected outflow will be determined at the time of final resolution of the dispute.		
(B) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	**1,247.91**	470.03
(C) Other commitments		
(i) Export obligation on account of benefit of concessional rate of Custom duty availed under EPCG license scheme on imports of capital goods.	**1.12**	180.65
Total other commitments	**1.12**	180.65

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 37 :Related party disclosures

Related party disclosures, as required by Ind AS-24, "Related Party Disclosures", are given below: **(₹ Crores)**

Name of the Company	Nature of Relationship	Nature of Transactions	Year Ended March 31, 2025	Year Ended March 31, 2024
Gujarat Green Revolution Company Limited	Associate	Sale of goods and services	**-**	- *
		Dividend received	**0.13**	0.13
Gujarat State Fertilizers & ChemicalsLimited	Promotor	Purchase of goods and services	**4.79**	9.97
		Sale of goods and services	**-**	- *
		Dividend received	**3.00**	7.50
		Payment for Buy back of shares	**-**	122.67
		Dividend paid	**48.16**	92.34
Gujarat State Investments Ltd.	Promotor	Dividend paid	**51.99**	99.68
		Payment for Buy back of shares	**-**	132.43
Narmadanagar Rural Development Society	Other related party	Grant for CSR activities	**12.98**	21.89

* Amount nullified on conversion to ₹ crores.

(Amount ₹)

Name of the Person	Nature of Relationship	Nature of Transactions	Year Ended March 31, 2025	Year Ended March 31, 2024
Shri Raj Kumar, IAS Chairman (From 01.08.2023 to 31.01.2025)	Key Management Personnel	Sitting Fees @	**57,500**	52,500 #
Shri Vipul Mitra, IAS Chairman (From 31.01.2023 to 31.07.2023)	Key Management Personnel	Sitting Fees @	**-**	52,500
		Managerial remuneration	**-**	56,41,577
Shri Pankaj Joshi, IAS Chairman (From 06.02.2025) (Managing Director upto 05.02.2025)	Key Management Personnel	Managerial remuneration	**98,767**	59,615
		Sitting Fees @	**20,000**	-
Smt. Mamta Verma, IAS - Director @ (Upto 01.08.2024)	Key Management Personnel	Sitting Fees @ $	**90,000**	1,75,000
Shri Mukesh Puri, IAS - Director @ (Upto 01.02.2024)	Key Management Personnel	Sitting Fees @	**-**	87,500
Shri J P Gupta, IAS - Director @ (Upto 05.08.2024)	Key Management Personnel	Sitting Fees @	**52,500**	1,22,500
Shri Kamal Dayani, (IAS), Director @ (From 09.02.2024)	Key Management Personnel	Sitting Fees @	**97,500**	-
Shri S.J. Haider, (IAS), Director @ (From 13.08.2024)	Key Management Personnel	Sitting Fees @	**1,20,000**	-
Smt. Gaurikumar, IAS (Rtd.) - Director	Key Management Personnel	Sitting Fees	**3,32,500**	3,67,500
Prof. Ranjan Kumar Ghosh - Director	Key Management Personnel	Sitting Fees $	**5,07,500**	4,90,000
Shri Bhadresh Mehta - Director	Key Management Personnel	Sitting Fees	**3,70,000**	3,15,000

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(Amount ₹)

Name of the Person	Nature of Relationship	Nature of Transactions	Year Ended March 31, 2025	Year Ended March 31, 2024
Dr. N. Ravichandran, Director	Key Management Personnel	Sitting Fees	**2,97,500**	3,85,000
Prof. Piyushkumar Sinha, Director (Upto 07.03.2025)	Key Management Personnel	Sitting Fees	**3,52,500**	2,80,000
Shri Ajai Bahadur Khare, Director (From 17.01.2025)	Key Management Personnel	Sitting Fees	**40,000**	-
Shri T Natarajan, IAS, Managing Director (From 05.02.2025) (appointed as a Director From 11.09.2024)	Key Management Personnel	Managerial remuneration	**-**	-
		Sitting Fees @	**40,000**	-
Shri D V Parikh (ED & CFO)	Key Management Personnel	Remuneration		
Ms. Chetna Dharajiya, Company Secretary (From 01.06.2024 to 26.03.2025)	Key Management Personnel	Remuneration	**91,31,469 ****	1,05,64,361 **
Shri A C Shah (GM & CS) (upto 31.05.2024)	Key Management Personnel	Remuneration		

@ Amount deposited in Government Treasury

** ₹ 0.05 crore Outstanding payable as on March 31, 2025 (₹ 0.07 crore as on March 31, 2024).

Payable as on 31.03.2024

$ ₹ 17,500/- is Payable as on 31.03.2024

Note 38 : Research and development expenses

The statement of profit and loss includes following nature of research & development expenses in the respective heads:

(₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Personnel expenses	**2.98**	3.31
Consumables and spares	**0.05**	0.16
Power and fuel consumption	**0.07**	0.07
Total research and development expenses	**3.10**	3.54

Note 39 : Leases:

Company as a lessee

The Company has taken various land, warehouses, godowns, guest houses, office premises and vehicles used in its operations. These are generally cancellable having a term between one to three year extendable for further period as per the terms of rental agreements.

The Company also has certain leases of warehouses, godowns, office premises and vehicles with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Set out below are the carrying amounts of right-of-use assets recognised as per Ind AS 116 and the movements during the period:

(₹ Crores)

Particulars	Land *	Building	Vehicles	Total
As at April 01, 2023	214.84	1.67	-	216.51
Additions	-	1.32	-	1.32
Deletion / Termination	-	(0.33)	-	(0.33)
Depreciation for the year	(2.54)	(1.00)	-	(3.54)
Dep on Disposals / termination	-	0.20	-	0.20
As at March 31, 2024	**212.30**	**1.86**	**-**	**214.16**
Additions	2.02	0.64	5.08	7.74
Deletion / Termination	-	(0.03)	-	(0.03)
Reclassification	-	-	-	-
Depreciation for the year	(2.61)	(1.12)	(0.42)	(4.15)
Dep on Disposals / termination	-	0.01	-	0.01
As at March 31, 2025	**211.71**	**1.36**	**4.66**	**217.73**

* It inlcudes leasehold land in possession of the Company as a Licensee, pending completion formalities of the lease agreement for a term of 99 years in respect of certain land areas situated at Dahej and Atali.

Set out below are the carrying amounts of lease liabilities and the movements during the period:

(₹ Crores)

Particulars	Amount
As at April 01, 2023	**1.97**
Additions	1.32
Accretion of interest	0.18
Payments	(1.16)
Lease termination	(0.14)
As at March 31, 2024	**2.17**
Additions	5.80
Accretion of interest	0.28
Payments	(1.79)
Lease termination	(0.02)
As at March 31, 2025	**6.44**
Current	**2.51**
Non-Current	**3.93**

The maturity analysis of lease liabilities are disclosed in Note 50.

The effective interest rate for lease liabilities is 8.70%, with maturity between 2020-2049

The following are the amounts recognised in Statement of profit and loss:

(₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Depreciation expense of right-of-use assets	**4.15**	3.54
Interest expense on lease liabilities	**0.28**	0.18
Expense relating to short-term leases (included in other expenses)	**3.09**	3.35
Total amount recognised in profit and loss	**7.52**	7.07

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Company as a lessor

The Company has entered into operating leases on its investment property portfolio consisting of certain office. Rent income also includes rentals received from lease of office premises. These leases is generally for a period of three to four years. There are no restrictions imposed by lease arrangements.

Future minimum rentals receivable under non-cancellable operating leases as at March 31 are as follows:

(₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Not later than one year	**1.34**	2.75
Later than one year not later than five years	**-**	0.86
Total	**1.34**	3.61

Note 40: Corporate social responsibility **(₹ Crores)**

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
A) Gross amount required to be spent by the Company during the year	**32.64**	34.23
B) Amount spent during the year on		
(I) Construction/acquisition of any asset	**-**	-
(II) On purposes other than (I) above	**9.22**	22.70
C) Shortfall / (excess) at the end of the year before set off	**23.42**	11.53
D) Amount available for set off for the year	**-**	-
E) Shortfall / (excess) at the end of the year after set off (Refer below note (a))	**23.42**	11.53
F) Reason for shortfall	**Ongoing Project**	Ongoing Project
G) Nature of CSR activities	**Refer below note (b)**	Refer below note (b)
H) Details of related party transactions in relation to CSR expenditure as per Ind AS 24, Related Party Disclosures (Refer below note (c))	**12.98**	21.89

Note (a) :

The shortfall in CSR expenditure for the financial year ended March 31, 2025 and March 31, 2024, has been deposited into the designated 'Unspent CSR Account' by April 30, 2025 and April 30, 2024 respectively, in accordance with Section 135(6) of the Companies Act, 2013

Note (b) :

The CSR expenditure has been incurred towards implementation of various developmental projects and community-centric initiatives across multiple thematic areas including sectors like Women Empowerment, Rural Development, Livelihood Enhancement, Preventive Healthcare, Promoting Education, Disaster Management, Environmental Sustainability, Promoting Gender Equality.

All projects undertaken fall within the scope of Schedule VII of the Companies Act, 2013 and are aligned with the Sustainable Development Goals (SDGs).

Note (c) :

Represents contribution to Narmadanagar Rural Development Society (NARDES), the CSR implementation arm of the Company for execution of the CSR programs across operational geographies.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 41: Gratuity and other post employment benefit plans:

A. Defined contribution plans:

Amount of **₹ 51.11 crores** (March 31, 2024: ₹ 60.89 crores) is recognised as expenses and included in Note No. 31 “Employee benefit expense”

(₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Provident fund	**27.02**	32.99
Contribution to pension scheme	**24.09**	27.90
Total	**51.11**	60.89

B. Defined benefit plans:

The Company has following post employment benefits which are in the nature of defined benefit plans:

(a) Gratuity

(b) Post retirement medical benefit

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity as per payment of Gratuity Act, 1972. The Scheme is funded with Gratuity Trust, which in turn makes contribution to Life Insurance Corporation of India (LIC) in the form of qualifying insurance policy for future payment of gratuity to the employees.

Each year the management reviews the level of funding in the gratuity fund. Such review includes the asset - liability matching strategy. The management decides its contributions based on the results of this review. The management aims to keep annual contributions relatively stable at a level such that no plan deficit (based on valuation performed) will arise.

The plan for the Post retirement medical benefit is unfunded.

The following table summarises the components of net benefit expense recognised in statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans:

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

March 31, 2025 : Changes in defined benefit obligations and plan assets

(₹ Crores)

		Cost charged to statement of profit and loss				Remeasurement gains/(losses) in other comprehensive income (OCI)						
	April 01, 2024	Service cost	Net interest expense	Sub-total included in statement of profit and loss	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Actuarial changes arising from Experience adjust-ments	Sub-total included in OCI	Contributions by employer	**March 31, 2025**
Gratuity												
Defined benefit obligation	**(357.04)**	**(19.11)**	**(25.58)**	**(44.69)**	**48.35**	**-**	**(0.05)**	**(12.26)**	**2.52**	**(9.79)**	**-**	**(363.17)**
Fair value of plan assets	**356.28**	**-**	**25.52**	**25.52**	**(48.35)**	**(0.52)**	**-**	**-**	**-**	**(0.52)**	**25.40**	**358.33**
Benefit (liability)/Assets	**(0.76)**	**(19.11)**	**(0.06)**	**(19.17)**	**-**	**(0.52)**	**(0.05)**	**(12.26)**	**2.52**	**(10.31)**	**25.40**	**(4.84)**
Post retirement medical benefit												
Defined benefit obligation	**(102.31)**	**(4.18)**	**(7.40)**	**(11.58)**	**4.05**	**-**	**-**	**(3.18)**	**(6.66)**	**(9.84)**	**-**	**(119.68)**
Fair value of plan assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Benefit (liability)/Assets	**(102.31)**	**(4.18)**	**(7.40)**	**(11.58)**	**4.05**	**-**	**-**	**(3.18)**	**(6.66)**	**(9.84)**	**-**	**(119.68)**

March 31, 2024 : Changes in defined benefit obligations and plan assets

(₹ Crores)

		Cost charged to statement of profit and loss				Remeasurement gains/(losses) in other comprehensive income (OCI)						
	April 01, 2023	Service cost	Net interest expense	Sub-total included in statement of profit and loss	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Actuarial changes arising from Experience adjust-ments	Sub-total included in OCI	Contributions by employer	**March 31, 2024**
Gratuity												
Defined benefit obligation	(367.97)	(14.99)	(20.68)	(35.67)	52.69	-	(0.03)	(7.56)	1.50	(6.09)	-	(357.04)
Fair value of plan assets	278.80	-	20.73	20.73	(52.67)	(1.22)	-	-	-	(1.22)	110.64	356.28
Benefit (liability)/Assets	(89.17)	(14.99)	0.05	(14.94)	0.02	(1.22)	(0.03)	(7.56)	1.50	(7.31)	110.64	(0.76)
Post retirement medical benefit												
Defined benefit obligation	(88.83)	(12.90)	(6.68)	(19.58)	4.32	-	-	(4.14)	5.92	1.78	-	(102.31)
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit (liability)/Assets	(88.83)	(12.90)	(6.68)	(19.58)	4.32	-	-	(4.14)	5.92	1.78	-	(102.31)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Insurance fund with LIC *	**100%**	100%

* As the gratuity fund is managed by LIC, details of fund invested by insurer are not available with the Company.

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	Gratuity		Post retirement medical benefit	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Discount rate	**6.82%**	7.21%	**7.05%**	7.24%
Future salary increase	**9% and 7% as per category**	9% and 7% as per category	**N.A**	N.A
Medical Inflation Rate	**N.A**	N.A	**5.00%**	5.00%
Expected rate of return on plan assets	**6.82%**	7.21%	**N.A**	N.A
Employee Turnover Rate	**8% and 1% as per category**	9% and 1% as per category	**1.00%**	1.00%
Mortality rate during employment	**Indian Assured Lives Mortality (2012-14) (Urban)**	Indian Assured Lives Mortality (2012-14) (Urban)	**Indian Assured Lives Mortality (2012-14) (Urban)**	Indian Assured Lives Mortality (2012-14) (Urban)
Mortality rate after employment	**N.A**	N.A	**Indian Individual AMT (2012-15)**	Indian Individual AMT (2012-15)

A quantitative sensitivity analysis for significant assumption is as shown below: **(₹ Crores)**

Particulars	Sensitivity level	Increase / (decrease) in defined benefit obligation (Impact)			
		Gratuity		Post retirement medical benefit	
		Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Discount rate	1% increase	**(29.87)**	(26.39)	**(15.26)**	(13.17)
	1% decrease	**35.60**	31.21	**19.38**	16.75
Salary increase	1% increase	**35.17**	30.95	**N.A**	N.A
	1% decrease	**(30.08)**	(26.66)	**N.A**	N.A
Medical cost inflation	1% increase	**N.A**	N.A	**19.60**	16.98
	1% decrease	**N.A**	N.A	**(15.66)**	(13.54)
Employee turnover	1% increase	**(0.43)**	0.82	**(4.56)**	(4.10)
	1% decrease	**0.46**	(0.96)	**5.48**	4.94

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

The followings are the expected future benefit payments for the defined benefit plan : (₹ Crores)

Particulars	Gratuity		Post retirement medical benefit	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Within the next 12 months (next annual reporting period)	**39.58**	50.77	**4.49**	3.71
Between 2 and 5 years	**121.22**	119.10	**22.20**	18.62
Between 6 and 10 years	**132.44**	145.62	**37.34**	32.31
Total expected payments	**293.24**	315.49	**64.03**	54.64

Weighted average duration of defined plan obligation (based on discounted cash flows) (Years)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Gratuity	**11**	10
Post retirement benefit obligation	**15**	16

The followings are the expected contributions to planned assets for the next year: (₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Gratuity	**18.31**	19.09
Post retirement medical benefit	**-**	-

Note 42: Investments in Subsidiary and Associates

Name of Entity	Relationship	Place of Business	Ownership	
			March 31, 2025	March 31, 2024
Gujarat Green Revolution Company Limited	Associate	India	**46.87%**	46.87%

Note: Method of accounting of investments in associate company is at cost.

NOTE: 43 (A)

In earlier year, Hon'ble high Court of Gujarat sanctioned the Scheme of Arrangement and Demerger for transfer of VSAT and ISP Gateway Business of the Company to ING Satcom Ltd., an unlisted Company against case consideration of ₹ 6 crores vide its Common Oral Order dated 15th June, 2012.

The "Appointed Date" of the Scheme is 1st April, 2010.

Pursuant to the Order of the Hon'ble High Court of Gujarat sanctioning the Scheme of Demerger, the Company submitted two separate applications dated 31st January, 2013 to the Department of Telecommunications (DoT) for transfer of VSAT and ISP License in the name of the Transferee Company viz. ING Satcom Limited.

However, the License Transfer Applications remained pending with DoT and as per the legal opinion and assessment, though the Scheme of Demerger was sanctioned by the Hon'ble High Court, the Scheme of Demerger is subject to and conditional upon the approval of DoT for transfer of Licenses from the Company to ING Satcom Limited.

Therefore, vide an Agreement-Cum-Indemnity Bond dated 12.04.2014 executed between the Company and ING Satcom Limited, the assets of demerged business (other than the licenses) were transferred to ING Satcom, subject to certain terms and conditions, inter alia, including the terms for settling the Transaction in the eventuality of non-transfer of Licenses.

Even though, both VSAT and ISP License have expired and the transfer of licenses to ING Satcom is now out of question, settlement of Demerger Transaction with ING Satcom, as per the terms and conditions of the Agreement-Cum- Indemnity Bond dated 12.04.2014, is still pending and therefore, no accounting treatment is given in the books of the Company since 2014-15 till the financial year ended 31.03.2025.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Necessary accounting treatment will be given in the books of accounts of the Company either on disposal of applications for transfer of Licences in the name of ING Satcom Limited by the competent authorities or on finalization of settlement of transaction with ING Satcom Limited. The amount received is classified under other current liabilities (refer Note 24).

NOTE: 43(B) - Demand Notice from Department of Telecommunication (DoT)

In the Financial Year (FY) 2014-15, the Company received a demand of ₹ 2,752 crores from the Department of Telecommunications (DoT), Ministry of Telecommunications, Government of India, towards License Fee, including interest and penalty, for the "Very Small Aperture Terminal (VSAT) License" and "Category A - Internet Service Provider (ISP) - IT License." This demand pertained to the period from FY 2009-10 to FY 2013-14. The Company challenged the demand before the Telecom Disputes Settlement and Appellate Tribunal (TDSAT), which subsequently stayed the demand and restrained DoT from taking any coercive recovery action against the Company.

Subsequently, in FY 2019-20, the Hon'ble Supreme Court of India, in the case of Union of India v. Association of Unified Telecom Service Providers of India, (2020) 3 SCC 525 ("AGR Judgment"), upheld DoT's interpretation of Adjusted Gross Revenue (AGR) affirmed that AGR includes revenue from both licensed as well as unlicensed activities.

Pursuant to the Supreme Court ruling, DoT issued revised demand notices dated December 23, 2019, March 05, 2020 and July 15, 2022, amounting to ₹ 15,020 crores, ₹ 16,359 crores and ₹ 21,370 crores, respectively. The demand period was retrospectively extended to encompass the period FY 2005-06 through FY 2019-20.

Aggrieved by these revised demands, the Company submitted representations to DoT on January 06, 2020, February 21, 2020, April 03, 2020 and March 04, 2022, requesting reconsideration and withdrawal of the demands. In its representations, the Company underscored that revenues from its Fertilizers & Chemicals business, which is entirely unrelated to VSAT and ISP-IT Licenses, should not be included in computation of AGR and License Fees.

Subsequent legal & regulatory developments, such as distinction between non-Telecom PSUs and Core Telecom Companies, duly recognized by both DoT and the Hon'ble Supreme Court; the TDSAT Judgment in the case of Union of India Vs M/s Netmagic Solutions Pvt. Ltd, Civil Appeal 9012/2022 ("Netmagic Judgment") and; the 2021 Telecom Reforms, have carved out several exceptions to the interpretation of the term "AGR" and computation of AGR and the License Fees.

These exceptions provide critical relief, particularly for the similar category of licensees and the non-telecom / non-licensed revenue streams.

Based on a detailed and meticulous legal assessment in consultation with eminent Senior Advocates, the Company firmly believes that it has strong grounds to contest the demands raised by DoT. Consequently, the Company has neither provided for this amount in its Books of Accounts nor recognized it under Contingent Liability.

Note 44: Ageing for trade receivables

44.1 : Ageing for trade receivables as at March 31, 2025 is as follows : **(₹ Crores)**

Particulars		Outstanding for following periods from due date of payment					
	Not due	Less than 6 Months	6 months to 1 year	1 to 2 year	2 to 3 year	more than 3 years	Grand Total
Trade Receivables							
Undisputed, considered Good	112.30	40.61	5.74	0.06	0.02	-	158.73
Undisputed, Credit Impaired	-	-	-	-	0.02	0.11	0.13
Disputed, considered Good	-	-	1.46	0.16	0.03	-	1.65
Disputed, Credit Impaired	-	-	-	-	0.03	1.47	1.50
Subsidy receivable							
Undisputed, considered Good	-	262.20	-	-	-	-	262.20
Disputed, Credit Impaired	-	-	-	-	-	-	-
Total as on 31.03.2025	**112.30**	**302.81**	**7.20**	**0.22**	**0.10**	**1.58**	**424.21**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

44.2 : Ageing for trade receivables as at March 31, 2024 is as follows : (₹ Crores)

Particulars	Not due	Outstanding for following periods from due date of payment: Less than 6 Months	6 months to 1 year	1 to 2 year	2 to 3 year	more than 3 years	Grand Total
Trade Receivables							
Undisputed, considered Good	122.76	62.61	2.06	0.11	0.08	-	187.62
Undisputed, Credit Impaired	-	-	-	0.09	0.29	-	0.38
Disputed, considered Good	-	1.01	0.66	5.04	1.77	-	8.48
Disputed, Credit Impaired	-	-	-	1.77	5.55	-	7.32
Subsidy receivable							
Undisputed, considered Good	-	430.29	-	-	-	-	430.29
Disputed, considered Good	-	-	-	-	-	-	-
Total as on 31.03.2024	122.76	493.91	2.72	7.01	7.69	-	634.09

Note 45 : Ageing for trade Payable

45.1 : Ageing for trade payables as at March 31, 2025 is as follows : (₹ Crores)

Particulars	Not due	Outstanding for following periods from due date of payment: Less than 1 year	1 to 2 year	2 to 3 year	more than 3 years	Grand Total
Trade Payables						
Undisputed - MSME	**23.23**	**1.97**	**-**	**-**	**-**	**25.20**
Undisputed - Others	**439.79**	**24.28**	**-**	**-**	**-**	**464.07**
Disputed - MSME	**-**	**-**	**-**	**0.03**	**-**	**0.03**
Disputed - Others	**1.92**	**0.36**	**0.31**	**0.24**	**2.75**	**5.58**
Total - MSME	**23.23**	**1.97**	**-**	**0.03**	**-**	**25.23**
Total - Others	**441.71**	**24.64**	**0.31**	**0.24**	**2.75**	**469.65**

45.2 : Ageing for trade payables as at March 31, 2024 is as follows : (₹ Crores)

Particulars	Not due	Outstanding for following periods from due date of payment: Less than 1 year	1 to 2 year	2 to 3 year	more than 3 years	Grand Total
Trade Payables						
Undisputed - MSME	26.96	4.71	-	0.24	1.34	33.25
Undisputed - Others	346.01	100.34	6.79	2.21	22.06	477.41
Disputed - MSME	-	-	0.03	-	-	0.03
Disputed - Others	0.44	1.60	1.10	1.07	7.50	11.71
Total - MSME	26.96	4.71	0.03	0.24	1.34	33.28
Total - Others	346.45	101.94	7.89	3.28	29.56	489.12

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 46 : Segment Information

Operating Segments

The identified reportable segments are Fertilizers, Chemicals and Others in terms of the requirements of Ind AS 108 “Operating Segments” as notified under section 133 of the Companies Act, 2013. Other Segment mainly includes Information Technology division activities and neem product related activities.

Identification of Segments:

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements, Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

Segment revenue and results:

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure and unallocable income.

Segment assets and liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipment, trade receivables, inventory and other operating assets. Segment liabilities primarily include trade payable and other liabilities. Common assets and liabilities which cannot be allocated to any of the business segments are shown as unallocable assets / liabilities.

Inter Segment transfer:

Inter Segment revenues are recognised at sales price. The same is based on market price and business risks. Profit or loss on inter segment transfer are eliminated at the Company level.

Summary of segment information is given below:

Note 46.1: Financial information about the primary business segment’s Revenue & Results :

(₹ Crores)

	Fertilizers		Chemicals		Others		Total	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
A REVENUE:								
External sales revenue	**2,900.16**	3,053.95	**4,900.04**	4,725.47	**92.25**	150.31	**7,892.45**	7,929.73
Intersegment revenue	**-**	-	**-**	-	**-**	-	**-**	-
Total Revenue	**2,900.16**	3,053.95	**4,900.04**	4,725.47	**92.25**	150.31	**7,892.45**	7,929.73
B RESULT:								
Segment result	**(179.58)**	(244.14)	**664.58**	542.59	**23.05**	45.26	**508.05**	343.71
Unallocable income							**360.83**	385.62
Unallocable expenses							**(55.54)**	(65.70)
Operating profit							**813.34**	663.63
Finance costs							**(22.95)**	(12.52)
Profit before tax							**790.39**	651.11

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 46.2: Financial information about the primary business segment's assets and liabilities :

(₹ Crores)

Assets & Liabilities	Fertilizers As At		Chemicals As At		Others As At		Total As At	
	31-03-2025	31-03-2024	31-03-2025	31-03-2024	31-03-2025	31-03-2024	31-03-2025	31-03-2024
Segment assets	**1,891.49**	2,054.18	**2,824.59**	2,626.07	**152.26**	203.24	**4,868.34**	4,883.49
Segment liabilities	**(1,146.05)**	(1,289.30)	**(665.91)**	(509.71)	**(106.12)**	(169.29)	**(1,918.08)**	(1,968.30)
Other unallocable corporate assets	**-**	-	**-**	-	**-**	-	**6,011.63**	5,677.36
Other unallocable corporate liabilities	**-**	-	**-**	-	**-**	-	**(509.52)**	(394.81)
Total capital employed	**745.44**	764.88	**2,158.68**	2,116.36	**46.14**	33.95	**8,452.37**	8,197.74
Capital assets/ expenditure incurred during the year:								
Capital assets including capital work in progress	**31.35**	68.48	**176.48**	123.56	**0.01**	8.68	**207.84**	200.72
Other unallocable capital expenditures	**-**	-	**-**	-	**-**	-	**39.46**	71.89
Total	**31.35**	68.48	**176.48**	123.56	**0.01**	8.68	**247.30**	272.61

Note 46.3:

As per the directives issued by Department of Fertilizers (DoF) for evaluation of reasonableness of MRP of P & K fertilizers under the NBS policy, every Company needs to report P & K fertilizers as a separate segment in Annual Audited Accounts. Accordingly, in accordance with Ind AS 108 for FY 24-25 the P & K Fertilizers Revenue is reported at ₹ 683 crores and Result is reported at ₹ (90) crores.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

NOTE 47 : ADDITIONAL REGULATORY INFORMATION : RATIOS

Sr No.	Ratio	Units	Numerator	Denominator	Current Year	Previous Year	% Variance	Reason for Variance
1	Current Ratio	Times	Total current assets	Total current liability	**4.67**	4.14	12.80%	
2	Debt-Equity Ratio	Times	Debt consist of Borrowings	Total equity	**0.01**	-	100.00%	Due to increase in short term borrowings as on 31.03.2025.
3	Debt Service Coverage Ratio	Times	Net Profit after Tax for the year + Depreciation & Amortization + Interest	finance cost (excluding bank charges and commission) + Principal repayment	**7.53**	75.70	(90.05%)	Due to increase in short term borrowings as on 31.03.2025.
4	Return On Equity	%	Net Profit after Tax for the year	Average total equity	**7.03%**	5.64%	24.65%	Due to higher Net Profit of FY 2024-25.
5	Inventory Turnover Ratio	Times	Revenue from operations	Average inventory	**6.64**	7.07	(6.08%)	
6	Trade Receivables turnover Ratio	Times	Revenue from operations	Average trade receivables	**15.05**	15.96	(5.70%)	
7	Trade Payables Turnover ratio	Times	Total Purchases **	Average Trade Payable	**12.96**	12.13	6.84%	
8	Net Capital Turnover Ratio	Times	Revenue from operation	Average working capital (i.e. Total current assets less total current liabilities)	**2.07**	2.27	(8.81%)	
9	Net Profit Ratio	%	Net Profit after Tax for the year	Revenue from operation	**7.42%**	6.11%	21.44%	Due to increase in net profit of FY 2024-25.
10	Return On Capital Employed	%	Profit before tax and finance cost	Capital Employed = Total Equity + Borrowings + Deferred tax liabilities	**9.24%**	7.84%	17.86%	Due to increase in profit before tax of FY 2024-25.
11	Return On Investment							
a	Return on quoted equity investments	%	Dividend income + Gain / loss on fair value of investments	Value of investments at the beginning of the year	**(14.39%)**	37.57%	138.30%	Due to decrease in quoted price of the investments and dividend.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Sr No.	Ratio	Units	Numerator	Denominator	Current Year	Previous Year	% Variance	Reason for Variance
b	Return on Unquoted equity investments	%	Dividend income + Gain / loss on fair value of investments	Value of investments at the beginning of the year	**4.72%**	(33.18%)	114.23%	Due to fair valuation gain in curren year compared to last year loss.
c	Return on government securities at FVTPL	%	Interest income + Gain / loss on fair value of current investment at Fair value through Profit & Loss + Gain / loss on sale / redemption of investment	Value of investments at the beginning of the year	**8.97%**	6.85%	30.95%	Due to fair value gain in current year compared to loss in previous year.
d	Return on Debentures	%			**324.80%**	(26.15%)	1342.07%	Due to receipt of maturity amount of securities which were fair valued to ₹ 1 in previous year.
e	Return on government securities at Amortized cost	%	Interest income	Cost of investments	**7.48%**	7.38%	1.36%	

** Total Purchases = Purchase of Raw material + Purchase of traded goods + Purchase of goods and services (IT division) + Power, fuel and other utilities + Adjusted Other Expense (Total other expenses - Provision for doubtful debts / advances - Provision for excess inventory - Bad debts written off - Provision for Contingencies - Inventory Written off - Assets written off - Contributions towards Corporate Social Responsibilities - Provision for unspent CSR obligation - Premium Amortized on Investment in G-Secs - Director's fees - Fair valuation loss on investments measured at FVTPL (net))

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note: 48 Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below. **(₹ Crores)**

Particulars	FVTOCI Reserve		Retained Earnings		Total	
	Year Ended March 31, 2025	Year Ended March 31, 2024	Year Ended March 31, 2025	Year Ended March 31, 2024	Year Ended March 31, 2025	Year Ended March 31, 2024
Re-measurement (loss) / gain on defined benefit plans (net of tax)	**-**	-	**(15.08)**	(4.14)	**(15.08)**	(4.14)
Net (loss) / gain on FVTOCI on equity Investments (net of tax)	**(73.36)**	(15.11)	**-**	-	**(73.36)**	(15.11)
	(73.36)	(15.11)	**(15.08)**	(4.14)	**(88.44)**	(19.25)

Note 49 : Details of hedged and unhedged exposure in foreign currency (FC) denominated monetary items :

(a) Exposure in foreign currency - Hedged

(i) Amounts Payable in Foreign Currency :

Particulars	As at March 31, 2025			As at March 31, 2024		
	₹ Crores	Amount in FC		₹ Crores	Amount in FC	
Payables for import *	**89.98**	**USD**	**1,02,64,000**	-	USD	-
Payables for import *	**-**	**Euro**	**-**	7.59	Euro	8,40,150
Payables for future import *	**39.11**	**Euro**	**40,73,500**	17.54	Euro	19,01,600

* The above payable amounts are hedged against Forward exchange Contracts.

(ii) Amounts receivable in foreign currency :

Particulars	As at March 31, 2025			As at March 31, 2024		
	₹ Crores	Amount in FC		₹ Crores	Amount in FC	
Cash and cash equivalents (EEFC)	**-**	**USD**	**-**	0.53	USD	64,644

(b) Exposure in foreign currency - Unhedged

(i) Amounts payable in foreign currency :

Particulars	As at March 31, 2025			As at March 31, 2024		
	₹ Crores	Amount in FC		₹ Crores	Amount in FC	
Payables for Import	**2.82**	**Euro**	**3,05,117**	2.31	Euro	2,56,017
Payables for Import	**44.76**	**USD**	**52,36,623**	0.45	USD	53,734
Payables for Import	**-**	**CHF**	**-**	0.01	CHF	1,070
Payables for Import	**0.04**	**JPY**	**6,90,000**	-	JPY	-

(ii) Amounts receivable in foreign currency :

Particulars	As at March 31, 2025			As at March 31, 2024		
	₹ Crores	Amount in FC		₹ Crores	Amount in FC	
Receivables for export	**-**	**USD**	**-**	1.07	USD	1,28,800

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

The following significant exchange rates have been applied :

INR	Year end spot rate	
	March 31, 2025	**March 31, 2024**
USD 1	**Import - ₹ 85.47**	Import - ₹ 83.89 & ₹ 83.40 Export - ₹ 83.40
EURO 1	**₹ 92.431**	₹ 91.26 & ₹ 89.96
GBP 1	**N.A.**	N.A.
CHF 1	**N.A.**	₹ 92.406
JPY 1	**₹ 0.5698**	N.A

Note 50 : Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management :

50.1 : Category-wise classification of financial instruments: (₹ Crores)

Particulars	Refer Note	As at March 31, 2025			
		Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Carrying Value
Financial assets					
Cash and cash equivalents	14	-	-	18.55	18.55
Other bank balances	15	-	-	2,289.85	2,289.85
Investments in equity shares (other than investment in subsidiary & associate entity)	8	871.19	-	-	871.19
Investments in unquoted equity shares of subsidiary entity and associate entity	8	-	-	1.25	1.25
Investments in unquoted debentures, Govt Securities & State development Loans	8	-	7.38	1,300.69	1,308.07
Trade receivables	11	-	-	422.58	422.58
Loans and advances	9	-	181.43	545.00	726.43
Other financial assets	10	-	-	143.48	143.48
Total		**871.19**	**188.81**	**4,721.40**	**5,781.40**
Financial liabilities					
Borrowings	18	-	-	99.16	99.16
Trade payables	20	-	-	494.88	494.88
Derivatives instruments not designated as hedge	21	-	3.08	-	3.08
Lease liability	39	-	-	6.44	6.44
Other financial liabilities	21	-	-	338.46	338.46
Total		**-**	**3.08**	**938.94**	**942.02**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(₹ Crores)

Particulars	Refer Note	As at March 31, 2024			
		Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Carrying Value
Financial assets					
Cash and cash equivalents	14	-	-	42.56	42.56
Other bank balances	15	-	-	1,486.34	1,486.34
Investments in equity shares (other than investment in subsidiary & associate entity)	8	946.88	-	-	946.88
Investments in unquoted equity shares of subsidiary entity and associate entity	8	-	-	1.25	1.25
Investments in unquoted debentures, Govt Securities & State development Loans	8	-	13.52	1,957.46	1,970.98
Trade receivables	11	-	-	626.39	626.39
Loans and advances	9	-	157.59	350.00	507.59
Other financial assets	10	-	-	111.97	111.97
Total		**946.88**	**171.11**	**4,575.97**	**5,693.96**
Financial liabilities					
Borrowings	18	-	-	0.56	0.56
Trade payables	20	-	-	522.40	522.40
Lease Liability	39	-	-	2.17	2.17
Derivatives instruments not designated as hedge	21	-	0.20	-	0.20
Other financial liabilities	21	-	-	348.66	348.66
Total		**-**	**0.20**	**873.79**	**873.99**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 50 : Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management :

50.2 : Fair value measurements:

a) Quantitative disclosures of fair value measurement hierarchy for financial assets and financial liabilities

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities:

(₹ Crores)

Particulars	As at March 31, 2025				As at March 31, 2024			
	Significant observable inputs (Level 1*)	Significant observable inputs (Level 2)	Significant observable inputs (Level 3)	Total	Significant observable inputs (Level 1*)	Significant observable inputs (Level 2)	Significant observable inputs (Level 3)	Total
Financial assets measured at fair value								
Investment in quoted equity investments measured at FVTOCI (refer Note 8)	**478.92**	**-**	**-**	**478.92**	564.97	-	-	564.97
Investment in unquoted equity investments measured at FVTOCI (refer Note 8)	**-**	**-**	**392.27**	**392.27**	-	-	381.91	381.91
Investments in unquoted debentures, Govt Securities & State development Loans (refer Note 8)	**-**	**-**	**7.38**	**7.38**	-	-	13.52	13.52
Loans and advances (refer Note 9)	**-**	**-**	**181.43**	**181.43**	-	-	157.59	157.59
Total	**478.92**	**-**	**581.08**	**1,060.00**	564.97	-	553.02	1,117.99
Financial liabilities measured at fair value:								
Derivative instruments (refer Note 21)	**-**	**3.08**	**-**	**3.08**	-	0.20	-	0.20
Total	**-**	**3.08**	**-**	**3.08**	-	0.20	-	0.20
Asset for which fair values are disclosed :								
Investment properties (refer Note 6)	**-**	**-**	**112.57**	**112.57**	-	-	103.91	103.91

*The fair value of the quoted equity investments are derived from quoted market prices in active market.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

b) Description of significant unobservable inputs to valuation:

The significant unobservable inputs used in the fair value measurement categorized within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2025 and March 31, 2024 are as shown below:

Particulars	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
FVTOCI assets in unquoted equity shares (Gujarat State Petroleum Corporation Limited)	Sum Of The Parts ("SOTP") valuation approach *	Gas marketing business	10% increase (decrease) in the Gas marketing business would result in increase / (decrease) in fair value as of March 31, 2025 : ₹ 1.42 crores (₹ 1.42 crores). 10% increase (decrease) in the Gas marketing business would result in increase / (decrease) in fair value as of March 31, 2024 : ₹ 1.36 crores (₹ 1.36 crores).	
FVTOCI assets in unquoted equity shares (Gujarat Chemical Port Limited) (Formerly known as Gujarat Chemical Port Terminal Company Limited)	Income Approach -DCF Method FCFE	Terminal Growth Rate	31 March 2025 : 4% - 6% (5%) 31 March 2024 : 4% - 6% (5%)	1% increase / decrease in the terminal growth rate would result in increase / (decrease) in fair value as of March 31, 2025 : ₹ 14.07 crores (₹ 12.51 crores) {1% increase / decrease in the terminal growth rate would result in increase / (decrease) in fair value as of March 31, 2024 : ₹ 14.85 crores (₹ 10.16 crores)}
		Weighted Average Cost of Capital (WACC)	31 March 2025 : 13.10% - 15.10% (14.10%) 31 March 2024 : 12.90% - 14.90% (13.90%).	1% increase / decrease in the WACC would result in decrease / (increase) in fair value as of March 31, 2025 : ₹ 17.98 crores (₹ 21.11 crores) {1% increase / decrease in the WACC would result in decrease / (increase) in fair value as of March 31, 2024 : ₹ 16.42 crores (₹ 22.67 crores)}
		EBITDA (₹ Crores)		10% increase / decrease in the EBITDA would result in increase / (decrease) in fair value as of March 31, 2025 : ₹ 30.49 crores (₹ 31.27 crores) {10% increase / decrease in the EBITDA would result in increase / (decrease) in fair value as of March 31, 2024 : ₹ 23.45 crores (₹ 21.89 crores)}
FVTOCI assets in unquoted equity shares (Gujarat Venture Finance Limited)	Cost Approach - Net asset value	Share holders fund (₹ Crores)	31 March 2025 : ₹ 35.72 crores - ₹ 39.48 crores (₹ 37.60 crores) 31 March 2024 : ₹ 36.86 crores - ₹ 40.74 crores (₹ 38.80 crores)	₹ 1.88 crores increase / decrease in the shareholders fund would result in increase / (decrease) in fair value as of March 31, 2025 by ₹ 0.03 crore (₹ 0.03 crore) {₹ 1.94 crores increase / decrease in the shareholders fund would result in increase / (decrease) in fair value as of March 31, 2024 by ₹ 0.03 crore (₹ 0.03 crore)}
		Discount to Book Value	31 March 2025 : 15% - 25% (20%) 31 March 2024 : 15% - 25% (20%)	5% increase / decrease in the discount to book value would result in decrease / (increase) in fair value as of March 31, 2025 : ₹ 0.04 crore (₹ 0.04 crore) {5% increase / decrease in the discount to book value would result in decrease / (increase) in fair value as of March 31, 2024 : ₹ 0.04 crore (₹ 0.04 crore)}

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

FVTOCI assets in unquoted equity shares (Bharuch Enviro Infrastructure Limited)	Market Approach - Comparable companies	Market Multiple Discount	31 March 2025 : 30% - 40% (35%) 31 March 2024 : 30% - 40% (35%)	5% increase / decrease in the market multiple discount would result in decrease / (increase) in fair value as of March 31, 2025 : ₹ 0.86 crore (₹ 0.85 crore) {5% increase / decrease in the market multiple discount would result in decrease / (increase) in fair value as of March 31, 2024 : ₹ 0.73 crore (₹ 0.73 crore)}
		EBITDA (₹ Crores)	31 March 2025 : ₹ 137.56 crores - ₹ 152.04 crores (₹ 144.80 crores) 31 March 2024 : ₹ 110.96 crores - ₹ 122.64 crores (₹ 116.80 crores)	₹ 7.24 crores increase / decrease in the EBITDA would result in increase / (decrease) in fair value as of March 31, 2025 : ₹ 0.56 crore (₹ 0.56 crore { ₹ 5.84 crores increase / decrease in the EBITDA would result in increase / (decrease) in fair value as of March 31, 2024 : ₹ 0.47 crore (₹ 0.47 crore)}
FVTOCI assets in unquoted equity shares (Bharuch Dahej Railway Company Limited)	Cost Approach & Market approach -Comparable Company Multiple and Net Asset Value	Discount to Book Value	31 March 2025 : 25% - 35% (30%) 31 March 2024 : 10% - 30% (20%)	5% increase / decrease in the discount to book value would result in decrease / (increase) in fair value as of March 31, 2025 : ₹ 1.45 crores (₹ 1.45 crores) {10% increase / decrease in the discount to book value would result in decrease / (increase) in fair value as of March 31, 2024 : ₹ 2.29 crores (₹ 2.30 crores)}
FVTOCI assets in unquoted equity shares (Ecophos GNFC India Private Limited)	As on March 31, 2020, the parent Company M/s EcoPhos S.A. holding 85% in the entity has applied for bankruptcy hence the Company has Fair valued the investment as ₹ 1 (Refer Note 8). During the year there is no change in bankruptcy status.			

* The SOTP approach is normally used for valuing a firm by separately assessing the value of each business segment or subsidiary or associate companies or Investments and adding them up to get the total value of the firm. The valuation approach used to value each Business/Investment Companies are Cost Approach/Market Approach/Income Approach. The appropriate approach / method with appropriate adjustment is used considering size, nature and complexities of business/investment.

c) Financial Instrument measured at amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

50.3 : Financial Risk objective and policies:

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, deposits, investments, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds FVTOCI & FVTPL investments and enters into derivative transactions.

In the ordinary course of business, the Company is mainly exposed to risks resulting from exchange rate fluctuation (currency risk), interest rate movements (interest rate risk) collectively referred as Market Risk, Credit Risk, Liquidity Risk and other price risks such as equity price risk and commodity price risk. The Company's senior management oversees the management of these risks. It manages its exposure to these risks through derivative financial instruments by hedging transactions as required. It uses derivative instruments such as foreign currency forward contract to manage currency risks. These derivative instruments reduce the impact of both favourable and unfavourable fluctuations.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

The Company's risk management activities are subject to the management, direction and control of the management of the Company under the guideline of the Board of Directors of the Company. The management ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

The decision of whether and when to execute derivative financial instruments along with its tenure can vary from period to period depending on market conditions and the relative costs of the instruments. The tenure is linked to the timing of the underlying exposure, with the connection between the two being regularly monitored. The Company is exposed to losses in the event of non-performance by the counterparties to the derivative contracts. All derivative contracts are executed with counterparties that, in management's judgment, are creditworthy. The outstanding derivatives are reviewed periodically to ensure that there is no inappropriate concentration of outstanding to any particular counterparty.

Further, all currency and interest risk as identified above is measured on a daily basis by monitoring the mark to market (MTM) of open and hedged position. For year ends, the MTM for each derivative instrument outstanding is obtained from respective banks. All gain / loss arising from MTM for open derivative contracts and gain / loss on settlement / cancellation / roll over of derivative contracts is recorded in statement of profit and loss.

a) 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 price risk. Financial instruments affected by market risk include loans and borrowings, FVTOCI investments and derivative financial instruments. The sensitivity analysis in the following sections relate to the position as at March 31, 2025 and March 31, 2024

The sensitivity analysis have been prepared on the basis that the amount of net debt, interest rates of the debt and derivatives are all constant as at March 31, 2025. The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations and provisions.The following assumptions have been made in calculating the sensitivity analysis:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2025 and March 31, 2024.

(i) Interest rate risk

The Company is exposed to changes in market interest rates due to financing, investing and cash management activities. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term debt obligations.

(ii) Foreign currency risk

Exchange rate movements, particularly the United States Dollar (USD) and Euro (EUR) against Indian Rupee (INR), have an impact on the Company's operating results. The Company manages its foreign currency risk by entering into various foreign exchange contracts to mitigate the risk arising out of foreign exchange rate movement on trade payables. Further, to hedge foreign currency future transactions in respect of which firm commitment are made or which are highly probable forecast transactions (for instance, foreign exchange denominated income) the Company has entered into foreign currency forward contracts as per the policy of the Company.

The details of exposures hedged using forward contracts and the details of unhedged exposures are given as part of Note 49.

The Company is mainly exposed to changes in USD and EURO. The below table demonstrates the sensitivity to a 5% increase or decrease in the respective foreign currency rates against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 5% represents management's assessment of reasonably possible change in foreign exchange rate.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(₹ Crores)

Particulars	Impact on Profit before tax		Impact on Pre-tax Equity	
	For the year ended		For the year ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
USD Sensitivity				
RUPEES / USD – Increase by 5%	**(2.24)**	0.04	**(2.24)**	0.04
RUPEES / USD – Decrease by 5%	**2.24**	(0.04)	**2.24**	(0.04)
EURO Sensitivity				
RUPEES / EURO – Increase by 5%	**(0.14)**	(0.12)	**(0.14)**	(0.12)
RUPEES / EURO – Decrease by 5%	**0.14**	0.12	**0.14**	0.12

(iii) Commodity price risk

The Company's operating activities require the ongoing purchase of natural gas. Natural gas being an international commodity is subject to price fluctuation on account of the change in the crude oil prices, demand supply pattern of natural gas and exchange rate fluctuations. The Company is not affected by the price volatility of the natural gas to the extent consumed for Urea as under the Urea pricing formula the cost of natural gas is pass through if the consumption of natural gas is within the permissible norm for manufacturing of Urea.

The Company also deals in purchase of other feed stock materials (i.e. Rock phosphate, Toluene and Denatured Ethyl Alcohol) which are imported by the Company and used in the manufacturing of Ammonium Nitro Phosphate, Toluene Di-isocyanate and Ethyl Acetate. The import prices of these materials are governed by international demand and supply pattern. There is a price and material availability risk, which is managed by senior management team through sensitivity analysis, commodity price tracking.

(iv) Equity price risk

The Company's investment in listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

At the reporting date, the exposure to unlisted equity securities at fair value was ₹ 392.27 crores. Sensitivity analyses of these investments have been provided in Note 50.2(b).

At the reporting date, the exposure to listed equity securities at fair value was ₹ 478.92 crores. A decrease of 5% on the BSE market price could have an impact of approximately ₹ 23.95 crores on the OCI or equity attributable to the Group. An increase of 5% in the value of the listed securities would also impact OCI and equity. These changes would not have an effect on profit or loss.

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and other financial assets) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive evaluation and individual credit limits are defined in accordance with this assessment.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on exchange losses historical data.

Credit risk from balances with banks and non-banking finance companies is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's management. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Trade receivables

The Company's receivables can be classified into two categories, one is from the customers/ dealers in the market and second one is from the central and state Government in the form of subsidy. As far as Government portion of receivables is concerned, credit risk is Nil except where there are uncertainties due to non-acknowledgement of claims. In respect of market receivables from the customers/ dealers, the Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extensions of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as for certain products it extends rolling credit to its customers, against the collateral.

Trade receivables, other than subsidy receivables are secured to the extent of interest free security deposits and bank guarantees received from the customers amounting to ₹ 21.63 crores and ₹ 23.97 crores as at 31st March, 2025 and 31st March, 2024 respectively. (Refer Note No. 11 for Trade Receivables outstanding).

The Company follows a 'simplified approach' (i.e. based on lifetime ECL) for recognition of impairment loss allowance on Trade receivables, other than those receivables from the Government of India. For the purpose of measuring lifetime ECL allowance for trade receivables, the company estimates irrecoverable amounts based on the ageing of the receivable balances and historical experience in respect of certain categories of the customers. Individual trade receivables are written off when management deems them not to be collectible

c) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages the liquidity risk by maintaining adequate funds in cash and bank balances. The Company also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

The table below analyses derivative and non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

(₹ Crores)

Particulars	Refer Note	On Demand	Less than 1 year	1 to 5 years	Over 5 years	Total
As at March 31, 2025						
Borrowings	19	**99.16**	**-**	**-**	**-**	**99.16**
Trade payables	20	**-**	**494.88**	**-**	**-**	**494.88**
Lease liability	39	**-**	**2.51**	**3.69**	**0.24**	**6.44**
Derivatives Instruments not designated as hedge	21	**-**	**3.08**	**-**	**-**	**3.08**
Other financial liabilities	21	**-**	**335.81**	**2.65**	**-**	**338.46**
Total		**99.16**	**836.28**	**6.34**	**0.24**	**942.02**
As at March 31, 2024						
Borrowings	19	0.56	-	-	-	0.56
Trade payables	20	-	522.40	-	-	522.40
Lease liability	39	-	0.98	0.99	0.20	2.17
Derivatives Instruments not designated as hedge	21	-	0.20	-	-	0.20
Other financial liabilities	21	-	343.55	5.11	-	348.66
Total		**0.56**	**867.13**	**6.10**	**0.20**	**873.99**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

50.4 : Capital Management:

For the purposes of the Company's capital management, capital includes issued capital and all other equity. The primary objective of the Company's capital management is to maximize shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using gearing ratio, which is net debt (total debt less cash and bank balance) divided by total capital plus net debt.

(₹ Crores)

Particulars	March 31, 2025	March 31, 2024
Total Borrowings (refer note 19)	**99.16**	0.56
Less: Cash and bank balances (refer Note 14 and 15)	**2,308.40**	1,528.90
Net Debt (A)	**(2,209.24)**	(1,528.34)
Total Equity (B)	**8,452.37**	8,197.74
Total Equity and Net Debt (C = A + B)	**6,243.13**	6,669.40
Gearing ratio	**-**	-

Since net debt is negative, same is considered as zero.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it 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. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024.

Note 51 : Additional disclosures required as per Schedule III to the Companies Act, 2013;

(i) The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2025 and March 31, 2024.

(ii) No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at March 31, 2025 and March 31, 2024.

(iii) The Company is not a declared wilful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, during the year ended March 31, 2025 and March 31, 2024.

(iv) The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the year ended March 31, 2025 and March 31, 2024.

(v) There have been no transactions which have not been recorded in the books of accounts, that have been surrendered or disclosed as income during the year ended March 31, 2025 and March 31, 2024, in the tax assessments under the Income Tax Act, 1961. There have been no previously unrecorded income and related assets which were to be properly recorded in the books of account during the year ended March 31, 2025 and 31 March 31, 2024.

(vi) The Company has taken borrowings from banks and financial institutions and utilised them for the specific purpose for which they were taken as at the Balance sheet date. Quarterly statements of current assets filed by the Company with Bank are in agreement with the books of accounts of the Company for the respective periods, except for the following : **(₹ Crores)**

Quarter ended	Nature of current Assets / Liabilities where differences were observed	Amount disclosed as per quarterly return / statement	Amount as per books of accounts	Amount of Difference	Reasons for material difference
June 30, 2024	Trade payable	449.36	481.16	(31.80)	Note - 1
September 30, 2024	Advances to suppliers	65.96	43.81	22.15	Note - 2
	Trade payable	494.32	502.77	(8.45)	Note - 1 & 2
December 31, 2024	Trade payable	336.09	361.49	(25.40)	Note - 1
March 31, 2025	Trade payable	467.29	494.88	(27.59)	Note - 1

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Notes:

Note-1 : Liability towards accrued expenses not considered in returns / statements submitted to bank.

Note-2 : reclassification adjustments after submission of stock statement not considered in returns / statements submitted to bank.

(vii) Based on the Ministry of Corporate Affairs (MCA) portal, charges aggregating to ₹ 0.46 crore are appearing as "Open" as of March 31, 2025 which were executed with Banks (the lender) in relation to securing repayment of loan facility related to year 1990. The Company is in process to obtain the No Objection Certificates from the Banks. Once the same is received, the Company will file the "Satisfaction of Charge" with the Registrar of Companies (ROC).

(viii) Utilisation of borrowed funds and share premium

I. 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 the like to or on behalf of the ultimate beneficiaries.

II. 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) directly 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 behalf of the ultimate beneficiaries.

Note 52 : Code on Social Security

The Indian Parliament has approved & the President has accorded the assent the Code on Social Security, 2020 ('Code') in September, 2020. The Code might impact the contributions by the Company towards Provident Fund, Gratuity and other employment and post-employment employee benefits. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record the impact, if any, in the period in which the Code becomes effective.

Note 53 :

Balances of certain trade receivables, advances given and trade payables are subject to confirmation/ reconciliation, if any. The management does not expect any material difference affecting the financial statements on such reconciliation / adjustments.

Note 54 : Event occurred after the Balance Sheet Date:

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of May 23, 2025 there were no material subsequent events to be recognized or reported that are not already previously disclosed.

Note 55 :

The previous year's figures have been regrouped / reclassified, wherever necessary, to conform to the figures of the current year presentation.

For and on behalf of the Board of Directors,

D. V. Parikh	**Rajesh Pillai**	**Dr. T. Natarajan, IAS**	**Pankaj Joshi, IAS**
Executive Director & CFO	Company Secretary	Managing Director	Chairman
	(ICSI M. No. : ACS 27145)	(DIN : 00396367)	(DIN : 01532892)

Place : Gandhinagar
Date : 23-05-2025

As per our report of even date
For **Suresh Surana & Associates LLP**
Chartered Accountants
(Firm Registration No.: 121750W/W100010)

Ramesh Gupta
Partner
Membership No. 102306

Place : Gandhinagar
Date : 23-05-2025

INDEPENDENT AUDITORS' REPORT

To,
The Members of
Gujarat Narmada Valley Fertilizers & Chemicals Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Gujarat Narmada Valley Fertilizers & Chemicals Limited** (hereinafter referred to as "the Holding Company" or "the Company"), and its associate, 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 the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standard prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules 2015 as amended (Ind AS) and the accounting principles generally accepted in India, of the state of affairs of Company and its associate as at March 31, 2025, of the consolidated profit, consolidated other comprehensive income, consolidated statement of 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 financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the consolidated financial statements' section of our report. We are independent of the Company and its associate in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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 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 financial statements.

Emphasis of Matter

We draw attention to note 43(B) to the consolidated financial statements regarding a matter relating to demand of ₹ 21,370 crores (including interest and penalty computed till November 30, 2021) on the Company by Department of Telecommunications (DoT) towards Very Small Aperture Terminal ('VSAT') and Internet Service Provider ('ISP') Licenses fee relating to earlier years. Based on the legal assessment in consultation with Senior Advocates of the said demand, the Company is of the view that no provision is required to be made at this point of time in respect of above matter.

Our opinion is not modified in respect of above matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">Recognition and measurement of Urea Subsidy Income</td></tr>
<tr><td>The Urea Subsidy Income is recognized and measured by the Company in accordance with notification/ circular/ policies issued by the Department of Fertilizers, Government of India.

During the year ended March 31, 2025, the Company has recognized Urea Subsidy Income of ₹ 1,829.89 crores and has outstanding Urea subsidy receivables of ₹ 163.48 crores.

The measurement of Urea Subsidy Income involves application of relevant regulatory pronouncements and notifications, understanding of applicable energy norms, and management estimates / judgements including in respect of escalation / de-escalation in the price of the inputs, etc. for the year. The recognised subsidy income may deviate on account of revision / changes in such interpretation, estimates and judgements, arising from notification by the Department of Fertilizers.

Accordingly, recognition and measurement of subsidy income is determined to be a key audit matter for our audit of consolidated financial statements.</td><td>Our audit procedures included the following:
• Assessed the Company's revenue recognition policy for Urea Subsidy Income.
• Understood, evaluated and tested, on a sample basis, the design and operating effectiveness of key internal controls over recognition and measurement of Urea Subsidy Income.
• Reviewed the relevant regulatory pronouncement in respect of Urea Subsidy Income and verified, on a sample basis, the claims filed by the Company along-with underlying accounting evidence in respect of such income.
• Tested calculations for Urea Subsidy Income and reviewed estimates for escalation / de-escalation by comparing with actual production cost relevant for measurement of subsidy amount including final adjustment related to earlier years.
• Reviewed follow-ups made by the Company with the Department of Fertilizers, Government of India and management assessment of recoverability of aged balances.
• Tested the collections made during the year as well as subsequent period against such subsidy income recognized by the Company.
• Assessed the appropriateness of disclosures in the consolidated financial statements in respect of Urea Subsidy Income.</td></tr>
<tr><td colspan="2">Valuation of Inventories, including Stores and Spares</td></tr>
<tr><td>The Company has total inventory of ₹ 1,257.21 crores which comprises of raw material inventory ₹ 362.97 crores, work-in-progress inventory ₹ 81.49 crores, finished goods inventory ₹ 143.65 crores, trading inventory ₹ 2.24 crores and stores and spares inventory ₹ 666.86 crores (including coal inventory of ₹ 193.50 crores and provision for excess inventory of ₹ 43.61 crores) as at March 31, 2025.

The Company has created the above mentioned provision of ₹ 43.61 crores for excess inventory of stores and spares based on physical verification and on evaluation of its usability including for aged items.

Accordingly, appropriateness of the estimates used to identify the valuation of inventories, including stores and spares is determined to be a key audit matter for our audit of consolidated financial statements.</td><td>Our audit procedures included the following:
• Reviewed the management policy for physical verification and the documents related to management's physical count procedure actually followed during the year.
• Understood the management process for assessment of value in use/ net realisable value of various class of inventories and making provision for excess inventory.
• Reviewed the management's judgement applied in estimating the value of excess inventory for stores & spares, taking into consideration management assessment of the present and future condition of the inventory.
• Performed substantive audit procedures that included review of working prepared by the management for valuation of inventories and observed that appropriate allocation of fixed cost and variable cost is done in respect of Finished Goods and Work in Progress which is in lines with prevailing accounting standards.
• Performed Physical verification of inventories as at March 31, 2025. Our procedures did not identify any material exceptions.</td></tr>
</table>

Key audit matters	How our audit addressed the key audit matter
Evaluation of uncertain tax demand positions and other legal litigations	
The Company has material uncertain tax demand positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes and significant open legal proceedings under arbitration and courts for various matters with its contractors / vendors and in Government departments, continuing from earlier years which are part of Contingent Liability. Due to complexity involved in these litigation matters, management's judgement regarding recognition and measurement of provisions for these legal proceedings is inherently uncertain and might change over time as the outcomes of the legal cases are determined.	Our audit procedures included the following: • Obtained details of completed tax assessments and demands as at 31 March 2025 from the management. • Inquired with the management including in- house legal experts. • Reviewed the minutes of the meetings and those charged with governance, and correspondences between the Company and the external legal experts and other evidences to corroborate management assessment in respect of disputed tax matters. • Assessed the management's position through discussions with the in-house legal expert and external legal opinions obtained by the Company (where considered necessary) on both, the probability of success in the aforesaid cases, and the magnitude of any potential loss. • Discussed with the management on the development in the litigations during the year ended 31 March 2025 and required provision for contingencies have been made during the Financial Year 2024-25.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board 's report, (i.e. Directors' report, Corporate governance, Management Discussion and Analysis and Shareholder's information), but does not include the consolidated financial statements and our auditor's report thereon. The above referred information is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 (Revised) 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including consolidated other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Company and its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended including the Companies (Indian Accounting Standards) Amendment Rules, 2020.

The respective Board of Directors of the Company and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and of its associate 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 the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Company and of its associate are responsible for assessing the ability of the Company and of its associate 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 and its associate or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Company and of its associate are also responsible for overseeing the financial reporting process of the Company and of its associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to these consolidated 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 the 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 ability of the Company and of its associate 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 consolidated 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 and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities of the Company and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 financial statements.

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated financial statements for the financial year ended March 31, 2025 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

The accompanying consolidated financial statements include the Company's share of net profit of ₹ 12.25 crores for the year ended March 31, 2025 in respect of an associate, whose financial information have not been audited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to amounts and disclosures included in respect of the associate, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid associate, is based solely on the such unaudited financial information.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on such unaudited financial information certified by the management.

Report on Other Legal and Regulatory Requirements

1) As required by Section 143(3) of the Act, based on our audit 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 financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation financial statements have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph i(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended:

(e) On the basis of the written representations received from the directors of the Company as on March 31, 2025 taken on record by the Board of Directors of the Company, none of the directors of the Company and its Associate Company incorporated in India, is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 1(b) above on reporting under Section 143(3)(b) of the Act and paragraph i (vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

(g) With respect to the adequacy of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Company and of its associate incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" to this report;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the Company to its directors including sitting fees paid to directors, during the year is in accordance with the provisions of Section 197 read with Schedule V to the Act;

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of unaudited financial statements furnished to us by the management in respect of the associate, as noted in the 'Other matter' paragraph above:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Company in its consolidated financial statements - Refer Note 36 (A) to the consolidated financial statements;

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 21 to the consolidated financial statements in respect of such items as it relates to the Company and its associate;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (a) The respective managements of the Company and of its associate has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company and its associate to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company and its associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective managements of Company and its associate has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company and its associate from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company and its associate shall, whether, directly 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. (a) The final dividend proposed in the previous year, declared and paid by the Company and its associate during the year is in accordance with Section 123 of the Act, as applicable.

(b) The Board of Directors of the Holding Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.

vi. Based on examination, which included test checks, the Holding Company, has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of the audit trail features being tempered with. Based on our examination, we noted that audit trail has not been preserved by the Company as per the statutory requirements for record retention.

In case of associate company incorporated in India, we are unable to comment on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 as the audited financial statements has not been issued by its auditor till the date of this report.

2) With respect to matters specified in paragraphs 3 (xxi) and 4 of the Companies (Auditors Report) Order,2020, (the “Order” / “CARO”), in our opinion and according to the information and explanations given to us, the Holding Company has qualifications or adverse remarks given by the auditor in his report under the Companies (Auditor’s Report) Order, 2020 (CARO):

Name of the Company	CIN	Clause number of the CARO report
Gujarat Narmada Valley Fertilizers & Chemicals Limited	L24110GJ1976PLC002903	3(i)(c), 3(ii)(b), 3 (iii)(c) & (d), (vii)(b)
Gujarat Green Revolution Company Limited	U63020GJ1998PLC035039	Refer note below

In respect an associate company incorporated in India, included in the consolidated financial statements, the CARO report has not been issued by its auditor till the date of this report and the management has furnished the certified unaudited financial information.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm’s Reg. No. 121750W/W100010

Ramesh Gupta
Partner
Membership No.: 102306
UDIN : 25102306BMHKNW3487

Place : Gandhinagar
Dated : 23 May 2025

ANNEXURE ‘1’ TO THE INDEPENDENT AUDITORS’ REPORT

ANNEXURE ‘1’ TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 1(g) under the heading ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

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 financial statements of the **Gujarat Narmada Valley Fertilizers & Chemicals Limited** (hereinafter referred to as “the Holding Company” or “the Company”) as of and for the year ended 31 March 2025, we have audited the internal financial controls over financial reporting with reference to the financial statements of the Company and its associate which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, specified under Section 143(10) of the Companies Act, 2013, as amended, to the extent applicable to an audit of internal financial controls, both, issued by Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to consolidated 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 over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the 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 internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these Consolidated Financial Statements

A company’s internal financial control over financial reporting with reference to these consolidated financial statements 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. A Company’s internal financial control over financial reporting with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over financial reporting with reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated 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 over financial reporting with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls over financial reporting with reference to these consolidated 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 and to the best of our information and according to the explanations given to us and based on the consideration of unaudited financial information furnished to us by the management as mentioned in "Other Matter" paragraph below, the Holding Company has, in all material respects, maintained adequate internal financial controls with reference to the consolidated financial statements and such internal financial controls with reference to the consolidated financial statements were operating effectively as at March 31,2025, based on the internal financial control criteria with reference to the consolidated financial statements established by the respective companies considering the essential components of internal financial control stated in the Guidance Note.

Other Matters

In respect of an associate company incorporated in India, included in the consolidated financial statements, reporting under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting has not been given as the reporting under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls has not been issued by its auditor till the date of this report and the management has furnished the certified unaudited financial information.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Reg. No. 121750W/W100010

Ramesh Gupta
Partner
Membership No.: 102306
UDIN : 25102306BMHKNW3487

Place : Gandhinagar
Dated : 23 May 2025

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2025

(₹ Crores)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
I. Non-current assets			
(a) Property, plant and equipment	4	**2,795.26**	2,969.92
(b) Capital work-in-progress	5	**381.97**	288.52
(c) Investment property	6	**36.15**	36.97
(d) Right of use asset	39	**217.73**	214.16
(e) Intangible assets	7	**44.36**	16.55
(f) Financial assets			
(i) Investments	8	**1,686.30**	2,365.41
(ii) Loans and advances	9	**161.23**	138.03
(iii) Other financial assets	10	**18.33**	18.70
(g) Income tax assets (net)	26	**40.43**	70.17
(h) Other non-current assets	12	**262.32**	71.66
		5,644.08	6,190.09
II. Current assets			
(a) Inventories	13	**1,257.21**	1,119.39
(b) Financial assets			
(i) Investments	8	**617.48**	664.72
(ii) Trade receivables	11	**422.58**	626.39
(iii) Cash and cash equivalents	14	**18.55**	42.56
(iv) Other bank balances	15	**2,289.85**	1,486.34
(v) Loans and advances	9	**565.20**	369.56
(vi) Other financial assets	10	**125.15**	93.27
(c) Other current assets	16	**63.14**	79.55
		5,359.16	4,481.78
Total Assets		**11,003.24**	10,671.87
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	17	**146.94**	146.94
(b) Other equity	18	**8,428.70**	8,161.82
		8,575.64	8,308.76
Liabilities			
I. Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	39	**3.93**	1.19
(ii) Other financial liabilities	21	**2.65**	5.11
(b) Provisions	22	**570.30**	489.76
(c) Deferred tax liabilities (net)	26	**247.99**	269.53
(d) Government grants (deferred income)	23	**455.26**	516.05
		1,280.13	1,281.64
II. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	**99.16**	0.56
(ii) Lease liabilities	39	**2.51**	0.98
(iii) Trade payables:	20		
(A) total outstanding dues of micro and small enterprises		**25.23**	33.28
(B) total outstanding dues of creditors other than micro and small enterprises		**469.65**	489.12
(iv) Other financial liabilities	21	**338.89**	343.75
(b) Other current liabilities	24	**100.47**	92.08
(c) Provisions	25	**43.21**	52.17
(d) Government grants (deferred income)	23	**60.79**	69.49
(e) Current tax liabilities (net)	26	**7.56**	0.04
		1,147.47	1,081.47
Total Equity and Liabilities		**11,003.24**	10,671.87
Summary of Material Accounting Policies	2		
The accompanying notes are an integral part of the consolidated financial statements			

For and on behalf of the Board of Directors,

D. V. Parikh
Executive Director & CFO

Rajesh Pillai
Company Secretary
(ICSI M. No. : ACS 27145)

Dr. T. Natarajan, IAS
Managing Director
(DIN : 00396367)

Pankaj Joshi, IAS
Chairman
(DIN : 01532892)

As per our report of even date
For **Suresh Surana & Associates LLP**
Chartered Accountants
(Firm Registration No.: 121750W/W100010)

Place : Gandhinagar
Date : 23-05-2025

Ramesh Gupta
Partner
Membership No. 102306

Place : Gandhinagar
Date : 23-05-2025

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025

(₹ Crores)

Particulars	Notes	Year ended March 31, 2025	Year ended March 31, 2024
Income			
Revenue from operations	27	**7,892.45**	7,929.73
Other income	28	**500.97**	469.20
Total		**8,393.42**	8,398.93
Expenses			
Cost of raw materials consumed	29	**4,454.08**	4,383.48
Purchase of traded goods and goods & services of IT division		**64.23**	140.85
Changes in inventories of finished goods, work-in-progress and traded goods	30	**11.62**	(20.14)
Power, fuel and other utilities		**1,450.45**	1,506.72
Employee benefits expense	31	**566.07**	625.44
Finance costs	32	**22.95**	12.52
Depreciation and amortisation	33	**302.83**	307.54
Other expenses	34	**730.80**	791.41
Total		**7,603.03**	7,747.82
Profit before tax		**790.39**	651.11
Tax expense / (credit)			
Current tax		**216.90**	168.20
Earlier year tax adjustments -short / (excess)		**7.18**	36.66
Deferred tax (credit)		**(19.21)**	(38.54)
Total tax expense / (credit)	26	**204.87**	166.32
Profit for the year		**585.52**	484.79
Share in Profit of Associate		**12.25**	12.27
Profit for the year	**(A)**	**597.77**	497.06
Other comprehensive income / (expense)			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
- Re-measurement (losses) / gain on defined benefit plans		**(20.15)**	(5.53)
- Income tax effect credit / (charge)	26	**5.07**	1.39
- Net (loss) / gain on FVTOCI equity investments		**(75.69)**	(50.94)
- Income tax effect credit / (charge)	26	**2.33**	35.83
Net other comprehensive (expense) / income not to be reclassified to profit or loss in subsequent periods		**(88.44)**	(19.25)
Total other comprehensive (expense) / income for the year, net of tax	**(B)**	**(88.44)**	(19.25)
Total comprehensive income for the year, net of tax	**(A)+(B)**	**509.33**	477.81
Earnings per Share - (Face value of ₹ 10 each) Basic and Diluted (in ₹)	35	**40.68**	32.47
Summary of Material Accounting Policies	2		

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

For and on behalf of the Board of Directors,

D. V. Parikh
Executive Director & CFO

Rajesh Pillai
Company Secretary
(ICSI M. No. : ACS 27145)

Dr. T. Natarajan, IAS
Managing Director
(DIN : 00396367)

Pankaj Joshi, IAS
Chairman
(DIN : 01532892)

Place : Gandhinagar
Date : 23-05-2025

As per our report of even date
For **Suresh Surana & Associates LLP**
Chartered Accountants
(Firm Registration No.: 121750W/W100010)

Ramesh Gupta
Partner
Membership No. 102306

Place : Gandhinagar
Date : 23-05-2025

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025

(A) Equity share capital

(₹ Crores)

Particulars	Note	Amount
Balance as at April 01, 2023		**155.42**
Changes in Equity Share Capital due to prior period errors	17	-
Restated balance at the April 01, 2023		**155.42**
Changes in equity share capital during the year (Refer Note 17.1)	17	(8.48)
Balance as at March 31, 2024		**146.94**
Changes in Equity Share Capital due to prior period errors	17	-
Restated balance at the March 31, 2024		**146.94**
Changes in equity share capital during the year	17	-
Balance as at March 31, 2025		**146.94**

(B) Other equity

(₹ Crores)

Particulars	Reserves and surplus					Equity instruments at fair value through other comprehensive income	Total
	Capital reserve	Capital redemption reserve	Securities premium	General reserve	Retained earnings		
	Note 18.1	Note 18.1	Note 18.1	Note 18.1	Note 18.1	Note 18.2	
Balance as at April 01, 2023	**0.64**	**-**	**313.31**	**2,679.76**	**5,213.91**	**742.07**	**8,949.69**
Profit for the year	-	-	-	-	497.06	-	497.06
Other comprehensive income for the year	-	-	-	-	(4.14)	(15.11)	(19.25)
Total comprehensive income for the year	-	-	-	-	492.92	(15.11)	477.81
Dividend paid during the year (refer Note 18.3)	-	-	-	-	(466.26)	-	(466.26)
Expenses for buy-back of equity shares	-	-	-	-	(4.98)	-	(4.98)
Tax on buy-back of equity shares	-	-	-	-	(150.10)	-	(150.10)
Transfer to capital redemption reserve	-	8.48	-	-	(8.48)	-	-
Buy-back of equity shares	-	-	(313.31)	-	(331.03)	-	(644.34)
Transfer from retained earnings	-	-	-	500.00	(500.00)	-	-
Balance as at March 31, 2024	**0.64**	**8.48**	**-**	**3,179.76**	**4,245.98**	**726.96**	**8,161.82**
Profit for the year	-	-	-	-	597.77	-	597.77
Other comprehensive income for the year	-	-	-	-	(15.08)	(73.36)	(88.44)
Total comprehensive income for the year	-	-	-	-	582.69	(73.36)	509.33
Dividend paid during the year (refer Note 18.3)	-	-	-	-	(242.45)	-	(242.45)
Transfer from retained earnings	-	-	-	250.00	(250.00)	-	-
Balance as at March 31, 2025	**0.64**	**8.48**	**-**	**3,429.76**	**4,336.22**	**653.60**	**8,428.70**
Summary of Material Accounting Policies	**2**						

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

For and on behalf of the Board of Directors,

D. V. Parikh
Executive Director & CFO

Rajesh Pillai
Company Secretary
(ICSI M. No. : ACS 27145)

Dr. T. Natarajan, IAS
Managing Director
(DIN : 00396367)

Pankaj Joshi, IAS
Chairman
(DIN : 01532892)

As per our report of even date
For **Suresh Surana & Associates LLP**
Chartered Accountants
(Firm Registration No.: 121750W/W100010)

Place : Gandhinagar
Date : 23-05-2025

Ramesh Gupta
Partner
Membership No. 102306

Place : Gandhinagar
Date : 23-05-2025

CONSOLIDATED OF STANDALONE CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025

(₹ Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Cash flow from operating activities		
Profit before tax as per statement of profit and loss	**790.39**	651.11
Adjustments for:		
Loss on sale / discard / write off of property, plant and equipment (net)	**1.01**	6.12
(Gain) on Lease modification/ termination	**-**	(0.01)
(Gain) on sale of investments (net)	**(0.01)**	(0.15)
Interim distribution towards investments	**(12.61)**	(2.50)
Depreciation and amortization	**302.83**	307.54
Interest expense on employee loan fair valuation	**1.13**	19.43
Interest income	**(316.78)**	(336.32)
Dividend income	**(23.38)**	(29.20)
Amortization of grant income	**(60.80)**	(57.47)
Fair valuation (gain) / loss on investments measured at FVTPL (net)	**(1.55)**	7.53
Unclaimed liabilities / excess provision for doubtful debt written back	**(51.40)**	(18.29)
Unrealised foreign exchange fluctuation loss / (gain)	**2.89**	(1.08)
Finance costs	**21.67**	10.04
Premium on forward contracts	**1.94**	2.47
Provision for excess Inventory	**14.79**	20.95
Provision for Unspent CSR obligation	**23.42**	11.53
Provision for contingencies	**53.81**	51.04
Advances / bad debts / other receivables written off	**0.04**	0.42
Provision for doubtful debts / advances (net)	**0.73**	4.08
Operating profit before working capital changes	**748.12**	647.24
Movements in working capital :		
Decrease / (increase) in trade receivables, including Subsidy	**206.46**	(254.62)
(Increase) in inventories	**(137.14)**	(17.13)
Decrease in financial assets	**0.32**	31.52
(Increase) / decrease in loans and advances and other assets	**(14.23)**	10.57
(Decrease) in provisions	**(2.38)**	(86.11)
Increase / (decrease) in trade payables and other liabilities	**4.97**	(63.38)
(Decrease) in financial liabilities	**(20.82)**	(24.53)
Cash generated from operations	**785.30**	243.56
Income taxes paid (net)	**(180.12)**	(212.28)
Net cash flow generated from operating activities (A)	**605.18**	31.28
Cash flows from investing activities		
Payment for purchase of property, plant and equipment		
(Including capital work In progress and capital advances)	**(452.87)**	(251.18)
Proceeds from sale / concession received of property, plant and equipment	**1.83**	2.39
Purchase of investments (refer Note 8)	**-**	(161.30)
Proceeds from sale / maturity of investments / other advances	**668.28**	276.81
(Increase) / decrease in deposits with corporates (net)	**(195.00)**	450.00
(Increase) / decrease in deposits / balances with banks (net)	**(803.51)**	531.37
Interest received	**292.05**	358.20
Dividend received	**23.38**	29.20
Net cash flow (used in) / generated from investing activities (B)	**(465.84)**	1,235.49

STATEMENT OF STANDALONE CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025

(₹ Crores)

Particulars		Year ended March 31, 2025	Year ended March 31, 2024
Cash flows from financing activities			
Proceeds from short term borrowings		**24.23**	0.27
Repayment of short term borrowings		**(24.23)**	(0.27)
Interest paid		**(21.67)**	(10.04)
Dividend paid		**(238.34)**	(460.56)
Transfer of funds to buy-back escrow account		**-**	(16.32)
Transfer of funds from buy-back escrow account		**-**	16.32
Expenses for buy-back of equity shares		**-**	(4.98)
Tax on buy-back of equity shares		**-**	(150.10)
Buy-back of equity shares		**-**	(652.81)
Premium on forward contracts		**(1.94)**	(2.47)
Net cash flow (used in) financing activities (C)		**(261.95)**	(1,280.96)
Net (decrease) in cash and cash equivalents (A + B + C)		**(122.61)**	(14.19)
Cash and cash equivalents at the beginning of the year		**42.00**	56.19
Cash and cash equivalents at the end of the year		**(80.61)**	42.00
Notes:			
Component of Cash and Cash equivalents			
- Cash on hand		**0.07**	0.05
- Debit balance in cash credit and overdraft accounts		**17.73**	32.42
- Balances with bank in current accounts		**0.75**	10.09
Total (refer Note 14)		**18.55**	42.56
Less: Cash credit and overdraft accounts (refer Note 19)		**(99.16)**	(0.56)
Total cash and cash equivalents		**(80.61)**	42.00
Summary of Material Accounting Policies	2		
The accompanying notes are an integral part of the consolidated financial statements			

(1) The Cash flow statement has been prepared under the indirect method as set out in the "Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows" issued by the Institute of Chartered Accountants of India.

(2) Disclosure with regards to changes in liabilities arising from Financing activities as set out in Ind AS 7 – Statement of Cash flows is presented under Note-21(a).

For and on behalf of the Board of Directors,

D. V. Parikh	**Rajesh Pillai**	**Dr. T. Natarajan, IAS**	**Pankaj Joshi, IAS**
Executive Director & CFO	Company Secretary	Managing Director	Chairman
	(ICSI M. No. : ACS 27145)	(DIN : 00396367)	(DIN : 01532892)

As per our report of even date
For **Suresh Surana & Associates LLP**
Chartered Accountants
(Firm Registration No.: 121750W/W100010)

Place : Gandhinagar
Date : 23-05-2025

Ramesh Gupta
Partner
Membership No. 102306

Place : Gandhinagar
Date : 23-05-2025

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

1 Corporate information

The consolidated financial statements comprise financial statements of Gujarat Narmada Valley Fertilizers & Chemicals Limited ('the Company') for the year ended March 31, 2025. The Company is a public company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognized stock exchanges in India (i.e. National Stock Exchange (NSE) and Bombay Stock Exchange (BSE)). The registered office of the Company is located at P.O: Narmadanagar-392 015, Dist.: Bharuch, Gujarat.

The Company is one of India's leading entities engaged in the manufacturing and selling of fertilizers, industrial chemical products and providing IT services.

The financial statements were approved for issue in accordance with a resolution of the Board of Directors on May 23, 2025.

2 Material accounting policies

2.1 Basis of preparation

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

The consolidated financial statements have been prepared on going concern basis using historical cost, except for the following assets and liabilities which have been measured at fair value amount:

- Derivative financial instruments,
- Defined benefit plans – plan assets measured at fair value; and
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition, or the amount of proceeds received in exchange for the obligation, or at the amount of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

Consolidated Financial statements are presented in Indian Rupees (₹) which is the functional currency, and all values are rounded off to the nearest crores as per the requirement of Schedule III to the Companies Act, 2013, except where otherwise indicated.

2.2 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiary as at March 31, 2025.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of subsidiary used for the purpose of consolidation are drawn up to same reporting date as that of the parent Group, i.e., year ended on March 31, 2025.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements from the date of incorporation.

(b) Offset (eliminate) the carrying amount of the parent's investment in a subsidiary.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

2.3 Summary of material accounting policies

a) Investment in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

If an entity's share of losses of an associate equals or exceeds its interest in the associate (which includes any long term interest that, in substance, form part of the Group's net investment in the associate), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'Share of profit of an associate' in the statement of profit or loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle; or
- Held primarily for the purpose of trading; or
- 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.

A liability is current when it is:

- It is expected to be settled in normal operating cycle; or
- It is held primarily for the purpose of trading; or
- 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.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

The Company has identified twelve months as its operating cycle.

c) Foreign currency transactions

The Company's financial statements are presented in Indian Rupees (₹), which is also the functional currency of the Company.

Transactions in foreign currencies are initially recorded at the exchange rate prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate prevailing on the balance sheet date and the resultant exchange gains or losses are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of initial transactions.

d) Fair value measurement

Fair value is the price that would be received to sell 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, 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 the market participants would use when pricing the asset or liability, assuming that the 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 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 investments properties, unquoted investments and loan to employees.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (refer Note 49)
- Quantitative disclosures of fair value measurement hierarchy (refer Note 49.2)
- Investment in unquoted equity shares (refer Note 8)
- Investment properties (refer Note 6)
- Financial instruments (including those carried at amortized cost) (refer Note 49.1)

e) Revenue from contracts with customers

Revenue from contracts with customers is recognised when the control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company derives its revenues from sale of goods such as fertilizers, industrial chemicals, government subsidies on sale of fertilizers and information technology related hardware / software services. The Company is generally the principal in its revenue arrangements because it controls goods or services before transferring them to the customer, except for the agency services where revenue is recognised on net basis.The disclosure of significant accounting judgements, estimates and assumptions relating to revenue from contract with customers are provided in Note 3.

Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods except in certain cases where goods are sold under bill and hold arrangement.

The Company considers whether there are other promises in the contract (supply of information technology goods) that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g. installation, warranties etc.) based on materiality of such obligation. In determining the transaction price for the sale of goods, the Company considers the effect of variable consideration and consideration payable to the customer (if any).

Amount disclosed as revenue are net of trade discounts, rebates, incentives and goods & service tax (GST). The Company collects GST on behalf of the government and therefore, these are not economic benefits flowing to the Company. Hence, these are excluded from the revenue. The Company recognizes changes in the estimated amount of liability for discounts, rebates and incentives in the period in which the change occurs.

Installation, as applicable, is integral part of delivery of goods. The Company typically provides warranties for general repairs of defect that existed at the time of sale, as required by law. These assurance type warranties are accounted for under Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets unless it is fully realisable from the supplier.

Urea product subsidy

Urea Subsidy under (i) New Pricing Scheme (NPS) – Stage-III and Modified NPS-III and (ii) New Urea Policy (NUP) 2015 is recognised as per concession rates notified by the Government of India (GoI) at the point in time when the quantity is transferred/delivered to customers. Urea Subsidy is further adjusted for input price escalation/de-escalation as estimated by the Management based on the prescribed norms. The Company recognizes the subsidy based on quantity sold.

ANP product subsidy

ANP Subsidy under Nutrient Based Subsidy [NBS] w.e.f. 01.04.2010 and amendments thereto is recognized as per the concession rates notified by the Government of India [GoI] at the point in time when quantity is transferred / delivered to customers. ANP Subsidy is further adjusted for expected downward change, if any, in NBS rates based on functional forecast. In case the GoI has notified the rates after the completion of financial year but before audited / reviewed accounts are approved then impact of such rates is factored based on the quantity remaining unsold to end customer. The Company recognises the subsidy based on quantity of first point sales.

Urea and ANP freight subsidy

Freight subsidy recognised under Uniform Freight Policy for the quantity transferred / delivered to customers based on the notified rates approved by the GoI. In the case of ANP for primary freight (i.e. Direct dispatch from plant by road), subsidy income is recognized based on the lower of the normative notified rates approved by the GoI or the actual freight incurred.

Rendering of services (including contracted services)

Income from services rendered by the Information Technology division (including operation and maintenance) is recognized as and when the services are transferred to the customer at an amount that reflect the consideration to which the Company expects to be entitled in exchange for those services.

Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

Dividends

Dividend income is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend except for interim dividend which is recognised based on approval of the Board of Directors of investee company.

Insurance claims

Claims receivable on account of insurance are accounted for to the extent no significant uncertainty exist for the measurement and realisation of the amount.

Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset except to the extent adjustments are recognised on account of change in estimate as per para 37 of Ind AS 8 to the carrying amount of the related assets.

Export incentive

Export incentives under various schemes notified by government are accounted for in the year of exports based on the eligibility, reasonable accuracy and conditions precedent to claim are fulfilled.

f) Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables (including subsidy receivables)

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section P "Financial instruments – initial recognition and subsequent measurement".

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

g) Taxes

Tax expense comprises of current income tax and deferred tax.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

Current income tax relating to items recognized outside the statement of profit and loss is recognized in correlation to the underlying transaction either in OCI 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.

Current tax assets and current tax liabilities are offset where the entity has a legally enforceable right to offset the recognized amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is provided using the liability approach 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 associates, 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 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 associates, 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 profit 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 future 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 date.

Deferred tax relating to items recognized outside the statement of profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and liabilities are offset if and only if there is a legally enforceable right to offset corresponding current tax assets against current tax liabilities and when the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

h) Property, plant and equipment (PPE)

Measurement at recognition

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non- refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Such cost includes the cost of replacing part of the plant and equipment if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, 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 the Statement of Profit and Loss as incurred.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life.

The Company had adjusted exchange differences arising on translation difference/settlement of long term foreign currency monetary items outstanding in the Indian GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial statements i.e. March 31, 2016 and pertaining to the acquisition of a depreciable asset to the cost of asset and depreciates the same over the remaining life of the asset.

Capital Work in progress

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as Other Non-Current Assets.

Depreciation

Depreciation on each part of an item of property, plant and equipment is provided using the Straight Line Method based on the useful life of the asset as prescribed under Part C of Schedule II of the Companies Act, 2013 or based on technical assessment by the Company taking into account the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, past history of replacements, manufacturers warranties and maintenance support, etc.

The useful lives for certain categories of property, plant and equipments are different from those prescribed under Part C of Schedule II of the Companies Act, 2013 based on management estimates. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be use. Category wise details are as under:

Sr No	Category	Useful life in years
1	Plant and equipment (including capital spares)	Ranging from 1 to 40 years
2	Furniture and Fixtures	Ranging from 2 to 20 years
3	Office equipments	Ranging from 1 to 13 years
4	Roads, culverts and compound wall	Ranging from 3 to 30 years
5	Water supply and drainage system	Ranging from 5 to 15 years
6	Building	Ranging from 3 to 60 years

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

The identified components of property, plant and equipments are depreciated over their useful lives and the remaining components are depreciated over the life of principal assets.

Freehold land is not depreciated.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate and adjusted prospectively, if appropriate.

De-recognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the De-recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

i) Investment Properties

Investment properties are measured initially at original cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the 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.

The Company depreciates building component of investment property over 60 years from the date of original purchase.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised either when they have been disposed off or do not meet the criteria of investment property i.e. when investment property is 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.

j) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Cost incurred on internally generated intangible assets are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets with infinite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a infinite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss.

Gains or losses arising from derecognition 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.

A summary of the policies applied to the Company's intangible assets is as follows:

Sr No	Intangible Assets	Method of Amortization	Estimated Useful life
1	Computer software	on straight line basis	Three years or validity period whichever is lower
2	Licenses		Over its useful life of 20 years

k) Leases

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

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use Assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term or the estimated useful lives of the assets, as follows:

Sr No	Category	Life
1	Lease hold land	8 to 99 years
2	Building (includes Godown / warehouses & office premises)	3 to 5 years
3	Vehicle	3 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (l) Impairment of non-financial assets.

(ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of building, machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

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 lease is recognized on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

l) Inventories

Inventories of Raw materials, Work-in-progress, Finished goods and Stock-in-trade are valued at the lower of cost and net realisable value. However, Raw materials and work-in-progress held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Raw materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on Moving Weighted Average Cost basis.

Finished goods and work in progress: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on Moving Weighted Average Cost basis.

Traded goods: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on Moving Weighted Average Cost basis.

All other inventories of stores and consumables (including coal) are valued at Moving Weighted Average Cost basis after providing for obsolescence and other losses considering the ageing of inventory and usability, where considered necessary on an item-by-item basis. Stores and Spares includes equipment spare parts, catalyst and others which are held as inventory by the Company.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

m) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates 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. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. 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. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses including impairment on inventories, are recognized in the statement of profit and loss.

For assets excluding goodwill, 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 asset's or 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 asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset 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 asset in prior years. Such reversal is recognized in the statement of profit and loss as an exceptional item.

Under Ind AS 116 para 33 right-of-use assets are subject to the impairment requirements of Ind AS 36 - Impairment of assets.

n) Provisions and contingencies

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. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

o) Retirement and other employee benefits

Retirement benefit in the form of Provident Fund is a defined benefit contribution scheme. The Company has no obligation other than the contribution payable to the Provident Fund. The Company recognizes contribution payable to the Provident Fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability.

The employee's gratuity fund scheme and post-retirement medical benefit schemes are Company's defined benefit plans. The contributions under the plans are made to separately administered funds. The cost of providing benefits under such defined benefit plans is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on the net basis.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short term employee benefits. The Company measures the expected cost of such absence as the additional amount that is expected to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months as long term compensated absences which are provided for based on actuarial valuation as at the end of the period. The actuarial valuation is done as per Projected Unit Credit Method and all gains / losses due to actuarial valuation are immediately recognised in profit or loss in the period in which they arise.

p) 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.

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in case of financial asset not recorded at fair value through profit and loss, transaction cost that are attributable to the acquisition of the financial assets.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (e) for Revenue from contracts with customers.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are solely payment of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date. i.e. the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

(i) Financial assets measured at amortized cost (debt instrument)

(ii) Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

(iii) Financial assets measured at fair value through profit or loss (FVTPL)

(i) Financial assets measured at amortized cost (debt instrument)

A 'financial asset' is measured at amortized cost if both the following conditions are met:

(a) the financial asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows, and

(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category generally applies to cash and bank balances, trade receivables, investments in unquoted equity shares of subsidiary entity and associate entity, investment in G-sec, loans & advances and other financial assets of the Company (Refer note 49 for further details).

This category is most relevant to the Company. 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 interest income in the profit or loss.

(ii) Financial assets designated at fair value through OCI (equity instruments)

All equity investments in scope of Ind-AS 109 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 make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment / de- recognition of investment on restructuring by investee. However, the Company may transfer the cumulative gain or loss into retained earnings within equity. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

(iii) Financial assets at fair value through profit or loss (FVTPL)

Financial assets at fair value through profit or loss include financial assets held for trading, debt securities and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

FVTPL is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has designated Loans to employees, investments in Government Securities, Debentures and State Development Loans and other advances. (Refer note 49 for further details).

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when :

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control 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.

On Derecognition of a financial asset, (except as mentioned in (ii) above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure;

a) Financial assets that are debt instruments, and are measured at amortized cost e.g. loans, debt securities, deposits and bank balances.

b) Financial assets that are equity instruments and are measured at fair value through other comprehensive income (FVTOCI)

c) 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.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Lifetime ECL are the expected credit losses resulting from all possible default over the expected life of a financial instrument.

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.The Company uses the practical expedient in Ind AS 109 for measuring expected credit losses for trade receivables using a provision matrix based on ageing of receivables. This amount is reflected under the head "Other Expense / Other Income" in the P&L.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss. Loans, borrowings and payables are subsequently measured at amortised cost whereas derivatives are measured at fair value through profit and loss.

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.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

For the purpose of subsequent measurement, financial liabilities are classified into two categories:

(i) Financial liabilities measured at fair value through profit or loss

(ii) Financial liabilities measured at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains / losses attributable to changes in own credit risk are recognized in OCI. These gains / losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss.

Financial liabilities measured at amortised cost (loans and borrowings)

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 borrowings.

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.

Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

q) Derivative financial instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value through profit or loss (FVTPL) on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivative financial instrument or on settlement of such derivative financial instruments are recognized in statement of profit and loss and are classified as Foreign Exchange (Gain) / Loss except those relating to borrowings, which are separately classified under Finance Cost.

r) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts and cash credit facilities as they are considered an integral part of the Company's cash management.

s) Cash dividend to equity holders of the Company

The Company recognizes a liability to pay dividend to equity holders of the parent when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

t) Earnings per share

Basic earnings per share are calculated by dividing the profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

u) Segment Accounting

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. The Operating segments have been identified on the basis of the nature of products/services.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue, if any, are recognised at sales price. Profit or loss on inter segment transfer are eliminated at the Company level. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocated to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

The identified reportable segments are Fertilizers, Chemicals and Others in terms of the requirements of Ind AS 108 “Operating Segments” as notified under section 133 of the Companies Act, 2013.

2.4 Recent accounting 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.

3 Significant accounting judgement, estimates and assumptions

The preparation of the Company’s Ind AS Financial Statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. 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.

Judgements

In the process of applying the Companies accounting policies, management has made the following judgements which have the most significant effects on the amounts recognised in the financial statements.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Taxes

Deferred tax assets are recognized for unused tax credits to the extent that it is probable that taxable profit will be available against which the credits can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Further details on taxes are disclosed in Note 26.

Defined benefit plans (gratuity benefits and other post-employment medical benefits)

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of these obligations 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, medical cost escalations and mortality rates etc. 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 operated in India, the management considers the interest rates of government bonds/securities in currencies consistent with the currencies of the post- employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates and Company’s obligation under Long Term Wage Settlement which is evaluated in block of four years. Medical cost escalations are based on expected future medical expenditure.

Further details about gratuity and post-employment medical benefits obligations are given in Note 41.

Fair value measurement 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 DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer Note 49 for further disclosures.

The Company has invested in the equity instruments of various companies. The valuation exercise of unquoted equity instruments carried out by the Company with the help of an independent valuer, etc. has estimated fair value at each reporting period based on available historical annual reports and other information in the public domain.

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 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 cash flows are derived from the budget for the future years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance being tested. The cash flow projections, beyond period covered by the most recent budget / forecast, the Company extrapolates cash flow projections taking base of budget working using a steady or declining growth rate for subsequent years unless an increasing trend can be justified. 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.

Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

Evaluation of uncertain tax demand positions and other legal litigation

The Company has material uncertain tax demand positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes and significant open legal proceedings under arbitration and courts for various matters with its contractors / vendors and in Government departments, continuing from earlier years which are part of Contingent Liability. The Company has made estimates to recognize the provisions mainly for probable claims arising out of litigations / disputes pending with authorities under various statutes and with other parties. The probability and the timing of the outflow with regard to these matters depend on the outcome of the litigations/disputes. Hence, the Company is not able to reasonably ascertain the timing of the outflow.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 4 : Property, plant and equipment

(₹ Crores)

	Land freehold	Leasehold Land Development	Buildings	Plant and equipment	Furniture and fixture	Vehicles	Office equipment	Roads, culverts and compund wall	Water supply and drainage system	Railway sidings	Total
Cost											
As at April 01, 2023	**111.03**	**9.62**	**428.65**	**7,020.25**	**37.19**	**7.27**	**11.99**	**75.36**	**126.59**	**6.97**	**7,834.92**
Additions	-	-	5.32	125.78	2.92	1.73	1.00	7.68	-	24.82	169.25
Disposals	-	-	(0.32)	(37.55)	(5.41)	(0.50)	(0.97)	(0.07)	-	(0.98)	(45.80)
As at March 31, 2024	**111.03**	**9.62**	**433.65**	**7,108.48**	**34.70**	**8.50**	**12.02**	**82.97**	**126.59**	**30.81**	**7,958.37**
Additions	-	4.31	1.72	96.92	2.46	1.45	0.87	2.51	1.24	5.62	117.10
Reclassification	-	-	-	-	-	-	-	-	(11.44)	-	(11.44)
Disposals	-	-	-	(16.52)	(0.20)	(1.42)	(0.29)	-	-	(0.28)	(18.71)
As at March 31, 2025	**111.03**	**13.93**	**435.37**	**7,188.88**	**36.96**	**8.53**	**12.60**	**85.48**	**116.39**	**36.15**	**8,045.32**
Depreciation / Amortisation											
As at April 01, 2023	**-**	**0.80**	**152.88**	**4,387.26**	**26.42**	**4.44**	**9.98**	**54.33**	**86.59**	**3.69**	**4,726.39**
Depreciation for the year	-	0.34	12.84	270.76	3.17	0.68	0.57	4.71	5.64	0.65	299.36
Disposals	-	-	(0.19)	(29.84)	(5.17)	(0.20)	(0.91)	(0.06)	-	(0.93)	(37.30)
As at March 31, 2024	**-**	**1.14**	**165.53**	**4,628.18**	**24.42**	**4.92**	**9.64**	**58.98**	**92.23**	**3.41**	**4,988.45**
Depreciation for the year	**-**	**0.46**	**12.87**	**257.68**	**2.70**	**0.69**	**0.61**	**2.63**	**4.95**	**2.14**	**284.73**
Reclassification	-	-	-	-	-	-	-	-	(7.26)	-	(7.26)
Disposals	-	-	-	(13.96)	(0.18)	(1.19)	(0.27)	-	-	(0.26)	(15.86)
As at March 31, 2025	**-**	**1.60**	**178.40**	**4,871.90**	**26.94**	**4.42**	**9.98**	**61.61**	**89.92**	**5.29**	**5,250.06**
Net Block											
As at March 31, 2025	**111.03**	**12.33**	**256.97**	**2,316.98**	**10.02**	**4.11**	**2.62**	**23.87**	**26.47**	**30.86**	**2,795.26**
As at March 31, 2024	111.03	8.48	268.12	2,480.30	10.28	3.58	2.38	23.99	34.36	27.40	2,969.92

Notes :

a. Feed Stock Conversion Projects from 'LSHS/FO' to 'Gas' acquired under Government of India policy for reimbursement of project cost over a period of five years from the date of commercial production, was capitalized on 01.10.2013. Accordingly, plant and equipment include assets amounting to ₹ 1,215.64 crores (net of decapitalisation) represented by capital grant of ₹ 1,213.06 crores.

b. Assets given on lease included in plant and equipment :

- Cost as at March 31, 2025 is ₹ 9.28 crores (March 31, 2024 ₹ 9.28 crores)
- Depreciation as at March 31, 2025 is ₹ 8.82 crores (March 31, 2024 ₹ 8.82 crores)
- Net block as at March 31, 2025 is ₹ 0.46 crore (March 31, 2024 ₹ 0.46 crore)

c. Additions to property, plant & equipment during the year include ₹ 0.12 crore (previous year: ₹ Nil) used for research and development activities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

d. Disclosure with respect to the Title deeds of Immovable Property not held in the name of the Company is as below:

A) List of Immovable Properties as at 31.03.2025

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value (₹ Crores)	Title deeds held in the name of	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	Is there any Dispute
Right of use asset	Land leasehold	43.05	Gujarat Industrial Development Corporation, Bharuch	NO	04.09.2012	The lease deed for plots allotted are not executed in favour of GNFC because of the some of the portion of the lands are Gaucher and Government Land are falling in the plot allotted to the Company and lease will be executed after allotment of Gaucher and Government Land to GNFC.	NO

*Promoter here means promotor as defined in Section 2(69) of the Companies Act, 2013

**Relative here means relative as defined in Section 2(77) of the Companies Act, 2013

B) List of Immovable Properties as at 31.03.2024

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value (₹ Crores)	Title deeds held in the name of	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	Is there any Dispute
Right of use asset	Land leasehold	43.05	Gujarat Industrial Development Corporation, Bharuch	NO	04.09.2012	The lease deed for plots allotted are not executed in favour of GNFC because of the some of the portion of the lands are Gaucher and Government Land are falling in the plot allotted to the Company and lease will be executed after allotment of Gaucher and Government Land to GNFC.	NO

*Promoter here means promotor as defined in Section 2(69) of the Companies Act, 2013

**Relative here means relative as defined in Section 2(77) of the Companies Act, 2013

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 5 : Capital Work in Progress

5.1 : Capital work in progress is as under:

- **Gross block** as at March 31, 2025 is **₹ 381.97** crores (March 31, 2024 ₹ 288.52 crores)
- **Net block** as at March 31, 2025 is **₹ 381.97** crores (March 31, 2024 ₹ 288.52 crores)

It mainly includes cost incurred on Coal based captive power plant at dahej (₹ 239.84 crores), AMUGL Project (₹ 26.41 crores), TDI II Dahej Plant (₹ 13.51 crores), Ammonia Plant (₹ 9.77 crores), Urea Plant (₹ 33.18 crores) and Capital Inventory (₹ 35.62 crores).

5.2 : CWIP Ageing Schedule **(₹ Crores)**

Particulars	Amount in CWIP for a period of				Grand Total
	Less than 1 year	1 to 2 year	2 to 3 year	more than 3 years	
As on 31.03.2025					
Projects in progress	167.90	204.23	4.66	5.18	381.97
Projects temporarily suspended	-	-	-	-	-
Total as on 31.03.2025	**167.90**	**204.23**	**4.66**	**5.18**	**381.97**
As on 31.03.2024					
Projects in progress	208.55	73.16	4.24	2.57	288.52
Projects temporarily suspended	-	-	-	-	-
Total as on 31.03.2024	**208.55**	**73.16**	**4.24**	**2.57**	**288.52**

5.3 : CWIP completion schedule For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan. **(₹ Crores)**

Particulars	To be completed in			
	Less than 1 year	1 to 2 year	2 to 3 year	more than 3 years
As on 31.03.2025				
- Projects and Schemes in Progress				
- Urea Reactor replacement	17.53	-	-	-
- Installation of H2 Compressor at ASGP plant	-	11.05		
- Liaison Office Renovation - New Delhi	6.69	-	-	-
- Rock phosphate 2A silo height increase	2.84	-	-	-
- New CMG Office Building	1.90	-	-	-
- Fire fighting system for GNFC Township	1.46	-	-	-
- Installation of Buffer tank EA plant	1.17			
- Filled Carbouy platform construction	1.14			
- Dedicated fibre-optic network	1.09			
- Construction of mechanical workshop for Dry sectin	0.99			
- Additional MTD storage tanks	1.34	-	-	-
- Fire water pump house upgradation S-500869	0.84	-	-	-
- DM water filling & Drainage System upgradation	0.59	-	-	-
- Other Various Modification / Upgradation schemes	2.91	-	-	-
Total as on 31.03.2025	**40.49**	**11.05**	**-**	**-**

None of the projects has exceeded it's cost compared to its original plan except Additional MTD storage tanks which is exceeded by ₹ 0.47 crore.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(₹ Crores)

Particulars	To be completed in			
	Less than 1 year	1 to 2 year	2 to 3 year	more than 3 years
As on 31.03.2024				
- Projects and Schemes in Progress				
- Urea Reactor replacement	-	21.55	-	-
- Ammonia Storage tank D-1003A with double wall	21.99	-	-	-
- 4 MW Solar Power Plant	6.48	-	-	-
- Replace 3 VAM with Screw Chillers	4.67	-	-	-
- Additional MTD storage tanks - S501002	1.86	-	-	-
- Fire fighting system for GNFC Township	1.79	-	-	-
- Installation of Buffer tank EA plant	1.17	-	-	-
- Corporate Building 3rd Floor renovation	1.22	-	-	-
- Fire water pump house upgradation S-500869	-	1.05	-	-
- Replacement of Existing CSL tanks	0.56	-	-	-
- Other Various Modification / Upgradation schemes	3.20	1.05	-	-
Total as on 31.03.2024	**42.94**	**23.65**	**-**	**-**

None of the projects has exceeded it's cost compared to its original plan.

Note 6 : Investment property

(₹ Crores)

Particulars	Building	Total
Cost		
As at April 01, 2023	**50.42**	**50.42**
Additions (subsequent expenditure)	-	-
As at March 31, 2024	**50.42**	**50.42**
Additions (subsequent expenditure)	-	-
As at March 31, 2025	**50.42**	**50.42**
Depreciation		
As at April 01, 2023	**12.64**	**12.64**
Depreciation for the year	0.81	0.81
As at March 31, 2024	**13.45**	**13.45**
Depreciation for the year	0.82	0.82
As at March 31, 2025	**14.27**	**14.27**
Net Block		
As at March 31, 2025	**36.15**	**36.15**
As at March 31, 2024	**36.97**	**36.97**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Information regarding income and expenditure of Investment property **(₹ Crores)**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Rental income derived from Investment properties	**7.30**	7.15
Direct operating expenses (including repairs and maintenance) generating rental income	**(8.87)**	(2.83)
Direct operating expenses (including repairs and maintenance) that did not generate rental income	**(1.03)**	(0.82)
Profit arising from investment property before depreciation and indirect expenses	**(2.60)**	3.50
Less : Depreciation	**(0.82)**	(0.81)
Profit arising from investment property before indirect expenses	**(3.42)**	2.69

(i) As at March 31, 2025 and March 31, 2024 the fair values of the investment property is ₹ **112.57** crores and ₹ 103.91 crores respectively, based on valuations performed by an accredited independent valuer, who is a specialist in valuing such types of investment properties.

(ii) The Company has no restrictions on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

(iii) Fair value hierarchy disclosure for investment properties have been provided in Note 50.2.

Note 7 : Intangible assets **(₹ Crores)**

Particulars	Computer software	Licenses	Others *	Total
Cost				
As at April 01, 2023	**29.88**	**34.29**	**-**	**64.17**
Additions	1.85	-	-	1.85
Deletion **	-	-	-	-
As at March 31, 2024	**31.73**	**34.29**	**-**	**66.02**
Additions	2.60	-	34.16	36.76
Reclassification	-	-	11.44	11.44
Deletion	(0.76)	-	-	(0.76)
As at March 31, 2025	**33.57**	**34.29**	**45.60**	**113.46**
Amortization				
As at April 01, 2023	**24.71**	**20.93**	**-**	**45.64**
Amortization for the year	2.28	1.55	-	3.83
Disposals **	-	-	-	-
As at March 31, 2024	**26.99**	**22.48**	**-**	**49.47**
Amortization for the year	2.29	1.55	9.29	13.13
Reclassification	-	-	7.26	7.26
Disposals	(0.76)	-	-	(0.76)
As at March 31, 2025	**28.52**	**24.03**	**16.55**	**69.10**
Net Block				
As at March 31, 2025	**5.05**	**10.26**	**29.05**	**44.36**
As at March 31, 2024	4.74	11.81	-	16.55

* During the year, the Company has capitalized, the contribution made towards desalination project, as Intangible assets with capitalization date of November 2022.

** Amount for “Computer software” and “total” nullified on conversion to ₹ crores.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 8 : Investments (₹ Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Trade Investments		
(i) Investment in Associate at cost (Unquoted)		
Investment in equity instrument		
(In fully paid up equity shares)		
12,50,000 (previous year 12,50,000) Equity shares of Gujarat Green Revolution Company Limited of ₹ 10/- each **	**124.52**	112.27
Total	**124.52**	112.27
Non- Trade Investments		
(i) Investments at fair value through other comprehensive income (FVTOCI) [Refer note (a & b)]		
Investments at FVTOCI		
Investments in equity instruments-quoted		
(In fully paid up equity shares)		
A) 75,00,000 (previous year 75,00,000) Equity Shares of Gujarat State Fertilizers & Chemicals Limited of ₹ 2/- each	**132.96**	146.74
B) 17,59,996 (previous year 17,59,996) Equity Shares of Gujarat Alkalies & Chemicals Limited of ₹ 10/- each	**101.94**	118.53
C) 80,00,000 (previous year 80,00,000) Equity Shares of Gujarat State Petronet Limited of ₹ 10/- each	**233.04**	285.20
D) 2,66,445 (previous year 2,66,445) Equity Shares of Gujarat Gas Limited of ₹ 2/- each	**10.98**	14.50
	478.92	564.97
Investments in equity instruments-unquoted		
A) 2,15,43,200 (previous year 2,15,43,200) equity shares of Gujarat State Petroleum Corporation Limited of ₹ 1/- each	**37.92**	37.74
B) 42,000 (previous year 42,000) equity shares of Bharuch Enviro Infrastructure Limited of ₹ 10/- each	**10.13**	8.83
C) 20,000 (previous year 20,000) equity shares of Gujarat Venture Finance Limited of ₹ 10/- each	**0.68**	0.56
D) 18,39,60,000 (previous year 18,39,60,000) equity shares of Gujarat Chemical Port Limited of ₹ 1/- each (formerly known as Gujarat Chemical Port Terminal Company Limited)	**323.22**	316.41
E) 2,42,10,000 (previous year 2,42,10,000) equity shares of Ecophos GNFC Private Limited of ₹ 10/- each @, #	**- ***	- *
F) 1,35,30,000 (previous year 1,35,30,000) equity shares of Bharuch Dahej Railway Company Limited of ₹ 10/- each	**20.32**	18.37
	392.27	381.91
Total Investments at FVTOCI	**871.19**	946.88

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Particulars	As at March 31, 2025	As at March 31, 2024
(ii) Investments at fair value through profit and loss (FVTPL)		
Investments at FVTPL - Quoted		
A) Investments in InvIT fund of Roadstar infra investment trust (2,00,000 units of ₹ 100/- each) ***	**- ***	-
Investments at FVTPL - Unquoted		
A) Investments in Government securities	**3.57**	3.49
B) Investments in Debentures $ &	**1.00**	7.20
C) Investments in State Development Loans	**2.81**	2.83
Total Investments at FVTPL	**7.38**	13.52
(iii) Investments at amortized cost		
Investments at Amortized cost - Unquoted		
A) Investments in Government securities	**1,300.69**	1,957.46
Total Investments at Amortized cost	**1,300.69**	1,957.46
Non-current	**1,686.30**	2,2365.41
Current	**617.48**	664.72
Total investments	**2,303.78**	3,030.13
Aggregate book value of quoted investments and market value thereof	**478.92**	564.97
Aggregate amount of unquoted investments	**1,824.86**	2,465.16
* Amount nullified on conversion to ₹ crores.		
** Investment in Associate is accounted under Equity method as under:		
Opening Carrying Value of Investments	**112.27**	100.00
Additon during the year	**12.25**	12.27
Carrying Value of Investments at the year end	**124.52**	112.27

@ The Company is carrying physical share certificate in respect of this investment.

\# M/s Ecophos GNFC India Private Limited (EGIPL) is the joint venture company formed by the Company and M/s Ecophos S.A - a Belgium based company for manufacturing of Di-Calcium Phosphate (DCP) at Dahej location. The Company holds 15% shareholding of EGIPL at issued value of ₹ 24.21 crores. During the FY 2019-20, M/s Eophos S.A. (shareholder) holding 85% shareholding of EGIPL had applied for bankruptcy. Consequently all the nominee directors of EGIPL, Managing Director and Company Secretary of EGIPL resigned. Plant installation for manufacturing of DCP didn't commenced. Accordingly, the Company valued such investment as at March 31, 2025 and as at March 31, 2024 at the nominal consideration of ₹ 1.

$ The Company had acquired various securities from GNFC-EPFT which includes investments in various long term secured/unsecured Non-Convertible Debentures (NCD) issued by IL&FS Group. Such investments have been recorded at the nominal fair values of ₹ 4.94 only (i.e. ₹ 1 for each security reduced by the amount received till date) as against total face value of ₹ 26.07 crores as on 31.03.2025.

Further, during the year, the Company has received ₹ 3.56 crores from Reliance Capital as full and final settlement towards investments in its two non-convertible debentures series. The Company had already made good the loss while transferring the PF corpus to the Employees' Provident Fund Organisation (EPFO) by considering the fair value of securities at ₹ 1 each. Total face value of investments was ₹ 6 crores.

& During the previous year, investments in one of the NCDs of AP Power Fin Corp Ltd was matured however the maturity amount was not received till the 31.03.2024. Accordingly, the Company had fair valued the total investment of ₹ 7.50 crores (including the NCD of ₹ 1.50 crores, which was yet not matured) made in AP Power Fin Corp Ltd at ₹ 2 as on 31.03.2024. During the current year, the Company has received the maturity amount of the said investments along with interest thereon.

*** During the year, the Company received 2,00,000 units of Roadstar Infra Investment Trust (RIIT) having a face value of ₹ 100 per unit, aggregating to ₹ 2 crores, under Round 2 and Round 3 of interim distribution from IL&FS. Although these units are listed on the stock exchange, there has been no active trading and fair price discovery remains pending. Consequently, the Company has recognised the investment at a nominal fair value of ₹ 0.22 as on 31.03.2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(a) The fair value of the quoted equity investments are derived from quoted market prices in active market.

(b) Investments include investment in unquoted equity shares. Fair value of unquoted investment in equity instrument have been carried out by independent valuer using Net Assets Value model and comparable companies model following Market Approach and Asset Approach. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk, volatility, net assets and market multiples. The probabilities of various estimates within the range can be reasonably assessed and are used in management's estimates for fair value for these unquoted equity instruments.

Reconciliation of fair value measurement of the investments in equity shares **(₹ Crores)**

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Opening Balance	**946.88**	997.82
Add : Fair value gain / (loss) recognised in Other Comprehensive Income	**(75.69)**	(50.94)
Closing Balance	**871.19**	946.88

Note 9 : Loans and advances

(₹ Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Current		
Loans		
Considered good		
Deposits with a body corporate (unsecured)	**545.00**	350.00
Loans to employees * # @	**20.20**	19.56
Total	**565.20**	369.56
Non-Current		
Loans		
Considered good		
Loans to employees * # @	**161.23**	138.03
Unsecured - considered doubtful		
Loan to / other recoverable from employee	**1.70**	1.57
Less: Provision for doubtful loans	**(1.70)**	(1.57)
	-	-
Loan to other companies	**0.40**	0.40
Less: Provision for doubtful loans	**(0.40)**	(0.40)
	-	-
Total	**161.23**	138.03
Total loans and advances	**726.43**	507.59

* includes gross interest accrued ₹ 3.24 crores (previous year ₹ 3.89 crores) in current loans to employees and of ₹ 35.96 crores (previous year ₹ 32.95 crores) in non-current loans to employees.

\# No loans are due from Promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

@ includes secured Loans to employees having fair value of ₹ 13.07 crores (previous year ₹ 12.12 crores) in current and ₹ 138.38 crores (previous year ₹ 112.41 crores) in non-current amount. Employees have mortgaged / hypothecated their Buildings and Vehicles to the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 10 : Other financial assets (₹ Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Current		
Other financial assets		
Accrued interest	**125.03**	93.17
Other receivables	**0.03**	0.03
Export benefit receivable	**0.09**	0.07
Total	**125.15**	93.27
Non-Current		
Other financial assets		
Deposits with suppliers	**18.33**	18.70
Other receivables *	**-**	-
Deposits with suppliers & other receivable	**0.03**	0.69
Less: Provision for doubtful receivables	**(0.03)**	(0.69)
	-	-
Total	**18.33**	18.70
Total other financial assets	**143.48**	111.97

* Amount nullified on conversion to ₹ crores.

Note 11 : Trade receivables (₹ Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables		
- Secured, Considered good	**21.63**	23.97
- Unsecured, Considered good	**138.75**	172.13
- Unsecured, Credit impaired	**1.63**	7.70
Subsidy receivables (Considered good)		
- Unsecured, Considered good	**262.20**	430.29
	424.21	634.09
Less : Impairment Allowances (Allowance for doubtful debts)		
Trade receivables		
- Credit impaired	**(1.63)**	(7.70)
Total	**422.58**	626.39

Note:

a) Refer Note 44 for Ageing of Trade receivables as on March 31, 2025 and March 31, 2024.

b) No trade or other receivables are due from Directors or other officers of the Company either severally or jointly with any other person; nor any trade or other receivables are due from firms or private companies in which any Director is a partner, a director or a member.

c) The fair value of trade receivables (including subsidy receivables) is not materially different from the carrying value presented.

d) Trade receivables are non interest bearing and are generally on terms of 30 to 90 days. Trade receivables of (n)Code division (IT) are of ₹ 32.60 crores (previous year ₹ 63.99 crores) are governed by the terms of respective contract agreement. Out of the dues, the Company has provided impairment allowance of ₹ 1.63 crores as on March 31, 2025 (as on March 31, 2024: ₹ 7.30 crores) based on credit risk model followed by the Company.

e) Subsidy receivables represents amount receivable from government against sale of fertilizers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 12: Other non-current assets (₹ Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Unamortized value of employee loan benefits *	**34.76**	29.30
Capital advances **	**227.41**	42.21
Deposits / Recoverable balances from customs, VAT and others	**0.01**	0.01
Prepaid expense	**0.14**	0.14
Unsecured - considered doubtful		
Advances to suppliers	**1.64**	1.64
Less: Provision for doubtful advances	**(1.64)**	(1.64)
	-	-
Balances / deposits of recoverable customs, taxes, cess etc.	**4.34**	4.19
Less: Provision for doubtful balances	**(4.34)**	(4.19)
	-	-
Receivable from others	**4.14**	4.14
Less: Provision for doubtful balances	**(4.14)**	(4.14)
	-	-
Total	**262.32**	71.66

* It includes impact of change in the employee loan valuation modelling and data correction in the previous financial year.

** Amount as at March 31, 2024 includes ₹ 34.16 crores as advance given to Gujarat Industrial Development Corporation (GIDC), Bharuch towards Company's contribution for 100 MLD Sea Water Reverse Osmosis (SWRO) desalination project at Dahej location. The Project has already completed and the Company has already started receiving committed water supply. As per the terms of the agreement, Special Purpose Vehicle (SPV) has been formed by the GIDC named "Dahej Desal Foundation". However, till date no further Communication received from GIDC in respect of mode of settlement of capital contribution in terms of shares of ownership towards the participation in SPV and hence during the current year the Company as capitalized the amount as intangible assets in books.

Note 13 : Inventories (Valued at lower of Cost and Net realisable value) (₹ Crores)

Particulars	As at March 31, 2025		As at March 31, 2024	
Raw materials		**362.97**		365.98
(Includes in transit inventory as on March 31, 2025 ₹ 178.62 crores; as on March 31, 2024 - ₹ 82.36 crores)				
Work-in-progress *		**81.49**		60.98
Finished goods *		**143.65**		175.97
Traded goods		**2.24**		2.05
Stores and spares (Including coal)	**710.47**		559.21	
(Includes in transit inventory as on March 31, 2025 ₹ 0.33 crore; as on March 31, 2024 ₹ 8.83 crores)				
Less: Provision for excess inventory	**(43.61)**	**666.86**	(44.80)	514.41
Total		**1,257.21**		1,119.39

* During the current year, the Company has adjusted inventories of finished goods by ₹ 11.45 crores (previous year ₹ 3.80 crores) and Work-in-progress by ₹ 3.78 crores (Previous year ₹ 0.91 crore) so as to value such inventories at net realizable value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 14: Cash and cash equivalents **(₹ Crores)**

Particulars	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents		
Balances with banks in:		
Current accounts	**0.75**	10.09
Debit balance in cash credit and overdraft accounts	**17.73**	32.42
Cash on hand	**0.07**	0.05
Total	**18.55**	42.56

Note 15 : Other bank balances **(₹ Crores)**

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks		
Unpaid dividend accounts	**24.70**	20.59
Bank balances in escrow accounts *	**40.76**	51.01
Bank balances in Unspent CSR accounts	**7.53**	-
Deposit with original maturity more than 3 months but remaining maturities of less than 12 months #	**2,216.86**	1,414.74
Total	**2,289.85**	1,486.34

* Balance in escrow account represents amount received as Earnest Money Deposit & Tender fees against e-auction done on behalf of various local authorities of Government of Gujarat. Corresponding liability is disclosed in Note 21 as "Other current financial liabilities".

\# Includes ₹ 702.86 crores (previous year ₹ 474.74 crores) pledged with lenders and Government authorities.

Note 16 : Other current assets **(₹ Crores)**

Particulars	As at March 31, 2025	As at March 31, 2024
Deposits / Recoverable balances from customs, VAT and others	**0.17**	0.68
Advance to suppliers	**32.74**	33.15
Goods and Service Tax Receivable	**14.04**	23.07
Contract assets *	**1.28**	1.95
Receivable from others	**0.15**	0.77
Prepaid expenses	**10.46**	15.93
Unamortized employee loan benefits **	**4.30**	4.00
Energy savings certificates $	**-**	-
Total	**63.14**	79.55

* Classified as non financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

** It includes impact of change in the employee loan valuation modelling and data correction in the previous financial year.

$ Amount nullified on conversion to ₹ crores.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 17 : Share capital (₹ Crores)

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	₹ Crores	No. of shares	₹ Crores
Authorised share capital				
Equity shares of ₹ 10 each	**25,00,00,000**	**250.00**	25,00,00,000	250.00
	25,00,00,000	**250.00**	25,00,00,000	250.00
Issued, subscribed and fully paid up				
Equity shares of ₹ 10 each subscribed and fully paid up	**14,69,40,683**	**146.94**	14,69,40,683	146.94
Total issued, subscribed and fully paid up share capital	**14,69,40,683**	**146.94**	14,69,40,683	146.94

17.1. Reconciliation of shares outstanding at the beginning and at the end of the reporting period (₹ Crores)

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	₹ Crores	No. of shares	₹ Crores
Equity Shares				
At the beginning of the year	**14,69,40,683**	**146.94**	15,54,18,783	155.42
Changes in Equity Share Capital due to prior period errors	**-**	**-**	-	-
Restated balance at the beginning of the year	**14,69,40,683**	**146.94**	15,54,18,783	155.42
Shares extinguished on buy-back during the year	**-**	**-**	(84,78,100)	(8.48)
Outstanding at the end of the year	**14,69,40,683**	**146.94**	14,69,40,683	146.94

Note :

During the previous year, the Company has bought back 84,78,100 equity shares for an aggregate amount of ₹ 652.81 crore being 5.46% of pre-buy back fully paid up equity share capital at ₹ 770 per equity share. The equity shares bought back were extinguished on December 21, 2023.

17.2. Terms/rights attached to the equity shares

Rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having par value of ₹ 10 per share, i.e. equity shares which rank pari passu in all respects. Each holder of equity share is entitled to one vote per share.

For the current financial year 2024-25, the Company has proposed dividend of ₹ 18 per equity share to equity shareholder (for the previous financial year dividend of ₹ 16.50/- per share declared). The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

17.3. Number of Shares held by each shareholder holding more than 5% Shares in the Company

Name of the shareholders	As at March 31, 2025		As at March 31, 2024	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Gujarat State Investments Ltd.	**3,15,07,658**	**21.44%**	3,15,07,658	21.44%
Gujarat State Fertilizers & Chemicals Ltd.	**2,91,86,009**	**19.86%**	2,91,86,009	19.86%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

17.4. Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at March 31, 2025 is as follows :

Name of the Promoter	As at March 31, 2025		As at March 31, 2024		% Change during the year
	No. of shares	% of shareholding	No. of shares	% of shareholding	
Gujarat State Investments Ltd.	**3,15,07,658**	**21.44%**	3,15,07,658	21.44%	0.00%
Gujarat State Fertilizers & Chemicals Ltd.	**2,91,86,009**	**19.86%**	2,91,86,009	19.86%	0.00%

Disclosure of shareholding of promoters as at March 31, 2024 is as follows :

Name of the Promoter	As at March 31, 2024		As at March 31, 2023		% Change during the year
	No. of shares	% of shareholding	No. of shares	% of shareholding	
Gujarat State Investments Ltd.	**3,15,07,658**	**21.44%**	3,32,27,546	21.38%	0.30%
Gujarat State Fertilizers & Chemicals Ltd.	**2,91,86,009**	**19.86%**	3,07,79,167	19.80%	0.30%

Note 18 : Other equity

Note 18.1 Reserves and surplus

(₹ Crores)

Particulars	Capital Reserve	Capital Redemption Reserve (CRR)	Securities Premium	General Reserve	Retained Earnings	Total
As at April 01, 2023	**0.64**	**-**	**313.31**	**2,679.76**	**5,213.91**	**8,207.62**
Profit for the year	-	-	-	-	497.06	497.06
Re-measurement gain on defined benefit plans (net of tax)					(4.14)	(4.14)
Balance available for appropriation					**5,706.83**	**8,700.54**
Less : Appropriations						
Transfer to General reserve				500.00	(500.00)	-
Dividend paid during the year					466.26	466.26
Expenses for buy-back of equity shares					4.98	4.98
Tax on buy-back of equity shares					150.10	150.10
Transfer to Capital Redemption Reserve		8.48			(8.48)	
Buy-back of equity shares			313.31		331.03	644.34
As at March 31, 2024	**0.64**	**8.48**	**-**	**3,179.76**	**4,245.98**	**7,434.86**
Profit for the year					597.77	597.77
Re-measurement gain on defined benefit plans (net of tax)					(15.08)	(15.08)
Balance available for appropriation					**4,828.67**	**8,017.55**
Less : Appropriations						
Transfer to General reserve				250.00	(250.00)	-
Dividend paid during the year					242.45	242.45
As at March 31, 2025	**0.64**	**8.48**	**-**	**3,429.76**	**4,336.22**	**7,775.10**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Securities Premium:

Securities premium is used to record the premium on issue of shares. This reserve is utilized in accordance with the provision of section 52 (2) (c) of the Companies Act, 2013. During the previous year, it was utilized against the buy back of equity shares.

Capital redemption reserve:

As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

Note 18.2 Other comprehensive income (OCI) (₹ Crores)

Particulars	Net gain / (loss) on FVTOCI equity Investments	Total
As at April 01, 2023	**742.07**	**742.07**
Other comprehensive income / (expense) during the year :		
Net (loss) on FVTOCI equity investments for the year	(50.94)	(50.94)
Income tax effect	35.83	35.83
As at March 31, 2024	**726.96**	**726.96**
Other comprehensive income / (expense) during the year :		
Net (loss) on FVTOCI equity investments for the year	(75.69)	(75.69)
Income tax effect	2.33	2.33
As at March 31, 2025	**653.60**	**653.60**

Note 18.3 Dividend distribution made and proposed (₹ Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Cash dividends on equity shares declared and paid		
Final dividend for year ended March 31, 2024: ₹ 16.50 per share (March 31, 2023: ₹ 30 per share)	**242.45**	466.26
Proposed dividends on equity shares		
Final cash dividend proposed for the year ended March 31, 2025: ₹ 18 per share (March 31, 2024: ₹ 16.50 per share)	**264.49**	242.45

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at balance sheet date.

Note 19 : Borrowings (₹ Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Short-term interest bearing borrowings		
Secured		
From Bank-cash credit and overdraft accounts	**99.16**	0.56
Total	**99.16**	0.56

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Security details

Short term borrowings from banks as cash credit and overdraft accounts of ₹ 99.16 crores (March 31, 2024: ₹ 0.56 crore) are secured by first charge by way of hypothecation of inventories and trade receivables and all other movable assets, both present and future and further secured by second charge by way of mortgage on all immovable properties. These charges are ranking pari-passu among the working capital lenders.

Interest rate details for short term borrowings:

(i) Cash credit and overdrafts facilities carries interest rates ranging from 8.00% to 10.10% p.a.

Note 20 : Trade payables **(₹ Crores)**

Particulars	As at March 31, 2025	As at March 31, 2024
(A) total outstanding dues of micro, small and medium enterprises	**25.23**	33.28
(B) total outstanding dues of creditors other than micro, small and medium enterprises	**469.65**	489.12
Total	**494.88**	522.40

- Refer Note 45 for Ageing of Trade payables as on March 31, 2025 and March 31, 2024.

(₹ Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 as amended ("MSMED Act"):		
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	**25.23**	33.28
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	**-**	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	**-**	-
(iv) The amount of interest due and payable for the year	**-**	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	**0.59**	0.59
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	**-**	-

Dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 21 : Other current financial liabilities **(₹ Crores)**

Particulars	As at March 31, 2025	As at March 31, 2024
Current		
Other financial liabilities at amortised cost		
Liability towards capital grant received (net) (*)	**85.06**	85.06
Deposits / retention money from customers / vendors / others	**35.88**	36.53
Payable for capital goods @	**18.43**	31.05
Rebate / discounts payable to customers	**42.91**	44.18
Liability towards employee benefit	**56.48**	63.01
Liability for Escrow Accounts $	**40.76**	51.01
Unclaimed dividends #	**24.70**	20.59
Fair Value of Derivative contracts	**3.08**	0.20
Interest payable on delayed MSME payments	**0.59**	0.59
Liability for unspent CSR expense	**31.00**	11.53
Total	**338.89**	343.75
Non - Current		
Deposit / Retention money from customers / vendors	**2.65**	5.11
Total	**2.65**	5.11
Total other financial liabilities	**341.54**	348.86

* The capital grant of ₹ 1,213.06 crores from Government of India, Ministry of Chemicals & Fertilizers, Department of Fertilizers for feed stock conversion project from 'LSHS/FO' to 'Gas' vide sanction letter no 14023/22/2007-FP dated 14.12.2009 has accrued to the Company since the conditions attached to the grant have been fulfilled by the Company. Till date, the government had disbursed ₹ 1,146.43 crores towards capital grant as against ₹ 1,213.06 crores and ₹ 348.45 crores towards grant as reimbursement of borrowing cost as against total borrowing cost of ₹ 195.47 crores. Accordingly, the Company has, pending settlement, recorded a net liability of ₹ 85.06 crores (net of adjustment of receivable against return on investment of ₹ 1.29 crores) towards capital grant.

@ Includes ₹ 5.41 crores (March 31, 2024 : ₹ 7.54 crores) payable to Micro, Small and Medium Enterprises which have been determined to the extent such parties have been identified on the basis of information collected by the Management.

$ Escrow account liability represents amount received as Earnest Money Deposit & Tender fees against e-auction done on behalf of various local authorities of Government of Gujarat. Corresponding asset is disclosed in Note 15 as "Bank balances in escrow accounts".

\# Not due for credit to "Investors Education and Protection Fund".

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(a) Disclosure with regards to changes in liabilities arising from financing activities as per Ind AS 7 Statement of Cash Flows:

Disclosure of changes in liabilities arising from financing activities, including changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses) is as under:

(₹ Crores)

Particulars	Borrowings (includes Current Maturities) and Interest accrued but not due	Unclaimed Dividend	Derivatives	Total
As on April 01, 2023	**-**	**14.89**	**1.14**	**16.03**
Net Cash Flow	(10.04)	(460.56)	(2.47)	(473.07)
Changes in Fair Value	-	-	1.53	1.53
Charged to P&L during the year	10.04	-	-	10.04
Dividend recognised during the year	-	466.26	-	466.26
As on March 31, 2024	**-**	**20.59**	**0.20**	**20.79**
Net Cash Flow	(21.67)	(238.34)	(1.94)	(261.95)
Changes in Fair Value	-	-	4.82	4.82
Charged to P&L during the year	21.67	-	-	21.67
Dividend recognised during the year	-	242.45	-	242.45
As on March 31, 2025	**-**	**24.70**	**3.08**	**27.78**

Note 22 : Provisions (Non-current) **(₹ Crores)**

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for leave encashment	**241.29**	231.15
Provision for post retirement medical benefit (refer Note 41)	**115.19**	98.60
Provision for contingencies *	**213.82**	160.01
Total	**570.30**	489.76

* These provisions represent estimates made mainly for probable claims arising out of litigations / disputes pending with authorities under various statutes (Excise duty) and with other parties. The probability and the timing of the outflow with regard to these matters depend on the final outcome of the litigations/disputes. Hence, the Company is not able to reasonably ascertain the timing of the outflow. The movement of other provision is as under:

(₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Opening balance	**160.01**	108.97
Provision made during the year	**53.81**	51.04
Closing balance	**213.82**	160.01

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 23 : Government grant (Deferred Income)

(₹ Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Current		
Grant from Government of India (refer note a)	**60.65**	60.65
Government grant of Export Promotion Capital Grant (EPCG) (refer note b)	**-**	8.70
Other Government grant	**0.14**	0.14
Total	**60.79**	69.49
Non Current		
Grant from Government of India (refer note a)	**454.90**	515.55
Other Government grant	**0.36**	0.50
Total	**455.26**	516.05
Total government grant (deferred income)	**516.05**	585.54

(a) Movement in Grant from Government of India

(₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Opening	**576.20**	636.86
Amortised to statement of profit and loss	**(60.65)**	(60.66)
Closing	**515.55**	576.20

The capital grant from Government of India, Ministry of Chemicals & Fertilizers, Department of Fertilizers for feed stock conversion project from 'LSHS/FO' to 'Gas' vide sanction letter no 14023/22/2007-FP dated 14.12.2009 has accrued to the Company since the conditions attached to the grant have been fulfilled by the Company. Accordingly, the grant of ₹ 1,213.06 crores was recorded as deferred income as contemplated under Para 7 and 12 of Ind AS - 20 on 'Accounting for Government Grants and Disclosure of Government Assistance' and it is being amortized over the useful life of the corresponding assets. The aforesaid grant has been disbursed by the Government of India.

(b) Movement in Government grant of EPCG

(₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Opening	**8.70**	5.36
Add: Reversal of earlier year's recognised amount as grant income.	**-**	3.34
Less: Payment made due to non-fulfilment of EPCG obligation	**(8.70)**	-
Closing	**-**	8.70

Note 24 : Other liabilities

(₹ Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory and other liabilities	**44.96**	34.10
Other current liabilities (Refer Note 43 (A))	**24.34**	25.03
Contract liabilities (including advance from customers)	**31.17**	32.95
Total other liabilities	**100.47**	92.08

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 25 : Provisions (current) (₹ Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for gratuity (Refer Note 41)	**4.84**	0.76
Provision for leave encashment	**32.29**	46.11
Provision for post retirement medical benefit (Refer Note 41)	**4.49**	3.71
Provision for contingencies **	**1.59**	1.59
Total	**43.21**	**52.17**

** The Company had created a contingency provision for possible contractual obligation of IT business. The movement of other provision is as under:

(₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Opening balance	**1.59**	1.59
Provision made during the year	**-**	-
Amount utilised / reversed during the year	**-**	-
Closing balance	**1.59**	1.59

Note 26 : Income Tax

The major component of income tax expenses for the year ended March 31, 2025 and March 31, 2024 are as under

a) Statement of Profit and Loss Section (₹ Crores)

Particulars		Year Ended March 31, 2025	Year Ended March 31, 2024
Current Income tax			
Current tax charges	A	**216.90**	168.20
Earlier year tax adjustments-short / (excess) (refer note (f) below)	B	**7.18**	36.66
Deferred Tax			
- Relating to origination and reversal of temporary differences	C	**(19.21)**	(38.54)
Tax Expense reported in the Statement of Profit and Loss	**A+B+C**	**204.87**	166.32
Other Comprehensive Income ('OCI') Section			
Income tax / Deferred tax related to items recognised in OCI during the year :			
- Remeasurement losses on defined benefit plans, credit / (charge)		**5.07**	1.39
- Unrealised gain / loss on FVTOCI equity investments, credit / (charge)		**2.33**	35.83
		7.40	37.22

b) Balance Sheet Section (₹ Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Income tax assets (net)	**40.43**	70.17
Liabilities for current tax (net)	**(7.56)**	(0.04)
Net tax asset / (liability) outstanding	**32.87**	70.13

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

c) Reconciliation of tax expenses and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2025 and March 31, 2024

(₹ Crores)

Particulars	Year ended March 31, 2025		Year ended March 31, 2024	
	%	Amount	%	Amount
Profit Before tax		**790.39**		651.11
Tax using domestic tax rate for Company	**25.17%**	**198.93**	25.17%	163.87
Tax Effect of:				
Deduction u/s 80M	**(0.74%)**	**(5.88)**	(1.13%)	(7.35)
Non-deductible expenses	**1.13%**	**8.97**	1.33%	8.63
Sale of assets & asset written off	**0.04%**	**0.29**	0.25%	1.62
Right of Use Asset - Ind AS 116	**(0.04%)**	**(0.30)**	(0.05%)	(0.30)
Adjustment in depreciation net book value of assets	**1.38%**	**10.89**	(0.10%)	(0.68)
Buy Back Expenses claimed	**-**	**-**	(0.19%)	(1.25)
Previous Year short/ excess I Tax ROI diff	**0.91%**	**7.18**	-	(4.11)
Contribution for 4 MLD Desalination plant - Dahej Claim as a revenue	**(1.09%)**	**(8.60)**	-	-
Bonus	**(1.11%)**	**(8.79)**	-	5.76
Other adjustments	**0.28%**	**2.18**	0.02%	0.13
Effective tax rate and tax expenses as per Books	**25.92%**	**204.87**	25.54%	166.32

d) Deferred Tax Liability (net)

(₹ Crores)

Particulars	Balance Sheet as at		Statement of Profit and Loss	
	March 31, 2025	March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
(Liability) on Accelerated depreciation for tax purpose	**(462.62)**	(488.88)	**(26.26)**	(39.09)
Assets on provision for Leave encashment	**66.88**	67.81	**0.93**	1.42
Assets on deferred government grant of ASGP	**129.75**	145.02	**15.27**	15.26
Assets on deferred government grant of EPCG & other	**0.13**	2.35	**2.22**	(0.80)
Assets on Provision for doubtful debts and advances	**68.68**	57.06	**(11.62)**	(16.44)
(Liability) on equity investment FVTOCI	**(60.17)**	(62.50)	**(2.33)**	(35.83)
Assets on other adjustments	**9.36**	9.61	**0.25**	1.11
Total	**(247.99)**	(269.53)	**(21.54)**	(74.37)

e) Reconciliation of deferred tax liabilities (net)

(₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Opening balance as of April 01	**269.53**	343.90
Tax (credit) / expenses during the period recognised in statement of profit and loss	**(19.21)**	(38.54)
Tax charge / (credit) during the period recognised in OCI	**(2.33)**	(35.83)
Closing balance as of March 31	**247.99**	269.53

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

f) Based on reconciliation of income tax liabilities pertaining to current tax provision of earlier years as per books of account with tax liabilities acknowledged in respective year's income tax return / assessed tax liabilities, during the current year short provision of ₹ 7.18 crores (previous year ₹ 36.66 crores) has been charged to tax expense in books of accounts.

Note 27 : Revenue from operations **(₹ Crores)**

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
27.1		
Sale of products		
Own products (refer below note 27.2)	**7,743.34**	7,697.66
Traded products	**46.44**	76.55
	7,789.78	7,774.21
Rendering of services	**68.62**	120.49
Other operating revenue		
Export incentive	**0.12**	1.79
Recovery of administrative charges (Fly Ash)	**8.68**	6.41
Sale of scrap / surplus / unserviceable materials	**25.25**	26.83
	34.05	35.03
Total	**7,892.45**	7,929.73
27.2 - Sale of own products above includes:		
Subsidy from Government of India under New Urea Policy / Retention Price Scheme / Nutrient Based Subsidy Scheme (including escalation / de-escalation)		
- Pertaining to current year	**2,144.92**	2,240.86
- Pertaining to earlier year recognised during current year	**(35.28)**	(21.57)
Total	**2,109.64**	2,219.29
27.3 - Timing of revenue recognition		
Goods transferred / services rendered at point in time	**7,880.58**	7,890.72
Services transferred over time	**11.87**	39.01
Total	**7,892.45**	7,929.73

27.4 There are no inter-segment transfers in case of revenue from contracts with customers, accordingly no reconciliation is required with amounts disclosed in the segment information.

27.5 Reconciliation of amounts of revenue recognized in the statement of profit and loss with the contracted price. **(₹ Crores)**

Particulars		Year Ended March 31, 2025	Year Ended March 31, 2024
Gross Revenue as per contracted price with customer		**6,220.35**	6,116.59
Adjustments:			
Rebates / discounts / incentives		**(399.36)**	(374.99)
Dealer's margin		**(38.18)**	(31.16)
Net Revenue as per contracted price with customer	**A**	**5,782.81**	5,710.44
Subsidy income from Government of India	**B**	**2,109.64**	2,219.29
Total Revenue from operations	**A+B**	**7,892.45**	7,929.73

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 28 : Other income (₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Grant income	**60.80**	57.47
Interest income *	**316.78**	336.32
Lease rental income	**8.73**	8.46
Gain (adjustment) on decapitalisation of property, plant and equipment	**0.12**	0.30
Unclaimed liabilities / excess provision for doubtful debt written back	**51.40**	18.29
Dividend income **	**23.38**	29.20
Exchange variance gain on monetary items	**-**	1.12
Profit on sale of property, plant and equipments (net of losses)	**0.04**	0.19
Insurance claim	**8.84**	0.01
Fair valuation gain on investments measured at FVTPL (net)	**1.55**	-
Gain on sale of investments carried at FVTPL	**0.01**	0.15
Gain on Lease modification/ termination (net of losses)	**-**	0.01
Miscellaneous income # $	**29.32**	17.68
Total	**500.97**	469.20

* Including ₹ 11.70 crores (previous year ₹ 12.23 crores) on FVTPL Financial Assets.

** Including ₹ 23.25 crores (previous year ₹ 29.07 crores) on FVTOCI Financial Assets.

Miscellaneous income for the current year includes ₹ 6 crores received towards maturity amount of non-convertible debentures of AP Power Fin Corp Ltd. The said investment was matured during the previous year however the maturity amount was not received till the 31.03.2024 and accordingly it was fair valued to ₹ 1 during the previous year. therefore, the aforesaid receipt has been recorded as income of the Company.

$ Miscellaneous income for the current year includes ₹ 3.06 crores (previous year ₹ 2.50 crores) received from IL&FS Financial Services Limited as interim distribution towards investments in its non-convertible debentures.

Further, it includes ₹ 3.56 crores (previous year ₹ Nil) received from Reliance Capital as full and final settlement towards investments in its non-convertible debentures. The Company had already made good the loss while transferring the PF corpus to the Employees' Provident Fund Organisation (EPFO) by considering the fair value of securities at ₹ 1 each and therefore, the aforesaid receipt has been recorded as income of the Company.

Note 29: Cost of raw materials consumed (₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Inventory at the beginning of the year	**365.98**	388.97
Add : Purchases	**4,451.07**	4,360.49
	4,817.05	4,749.46
Less : Inventory at the end of the year	**362.97**	365.98
Total	**4,454.08**	4,383.48

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 30 : Changes in inventories of finished goods, work-in-progress and traded goods (₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Inventory at the beginning of the year		
Work-in-progress	**60.98**	38.32
Finished goods	**175.97**	177.76
Traded goods	**2.05**	2.78
	239.00	218.86
Inventory at the end of the period		
Work-in-progress	**81.49**	60.98
Finished goods	**143.65**	175.97
Traded goods	**2.24**	2.05
	227.38	239.00
Total	**11.62**	(20.14)

Note 31 : Employee benefits expense (₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Salaries and wages	**429.33**	443.37
Contribution to provident and pension fund (refer Note 41)	**51.11**	60.89
Contribution and provision towards gratuity (refer Note 41)	**19.17**	14.94
Employees' welfare expenses *	**66.46**	106.24
Total	**566.07**	625.44

* Employees' welfare expenses for previous year ended March 31, 2024 includes ₹ 20.55 crores (net) (including ₹ 21.48 crores relating to earlier years and reversal of ₹ 0.93 crore related to FY 23-24) being impact of change in the employee loan valuation modelling and data correction in the previous financial year.

Note 32 : Finance costs (₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Interest on borrowings	**5.28**	8.00
Interest others	**16.11**	1.86
Bank charges and commission	**1.28**	2.48
Interest on lease liability (refer Note 39)	**0.28**	0.18
Total	**22.95**	12.52

Note 33 : Depreciation and amortization (₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Depreciation on property, plant and equipment (refer Note 4)	**284.73**	299.36
Depreciation on investment property (refer Note 6)	**0.82**	0.81
Amortization on intangible assets (refer Note 7)	**13.13**	3.83
Depreciation on RoU assets (refer Note 39)	**4.15**	3.54
Total	**302.83**	307.54

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 34 : Other expenses (₹ Crores)

Particulars	Year Ended March 31, 2025		Year Ended March 31, 2024	
Stores, chemicals and catalysts		**108.69**		147.03
Packing expenses		**79.08**		89.11
Insurance		**23.90**		29.46
Repairs and maintenance :				
- Building	**11.12**		8.79	
- Plant and equipment	**174.82**		153.98	
- Others	**6.94**	**192.88**	7.15	169.92
Material handling expenses		**13.09**		12.90
Outward freight and other charges		**91.60**		92.37
Sales promotion expenses		**5.48**		9.89
Selling commission		**0.85**		0.13
Rates & taxes		**4.30**		4.52
Operating lease Rent		**3.09**		3.35
Printing & stationery, communication and advertisement expense		**2.66**		3.99
Traveling and conveyance expenses		**4.63**		4.51
Fire fighting, safety and security expenses		**13.00**		10.90
Electricity charges		**3.04**		2.84
Professional and consultancy charges		**4.20**		5.51
Payment for contract services		**21.09**		20.06
Exchange variance on monetary items		**0.90**		-
Director's fees		**0.24**		0.23
Payment to auditors (refer note (a) below)		**0.48**		0.48
Donations		**-**		0.05
Contributions towards corporate social responsibilities (refer Note 40)		**9.22**		22.70
Provision for unspent CSR obligation		**23.42**		11.53
Premium on forward contracts		**1.94**		2.47
Provision for doubtful debts / advances		**0.73**		4.08
Provision for excess inventory		**14.79**		20.95
Advances / Bad debts / other receivables written off		**0.04**		0.42
Provision for contingencies		**53.81**		51.04
Fair valuation loss on investments measured at FVTPL (net) (Refer note 8 (&))		**-**		7.53
Inventory written off	**0.51**		0.67	
Less: Utilization of provision for inventory obsolescence	**(0.51)**	**-**	(0.67)	-
Assets written off		**1.17**		6.61
Miscellaneous expenses *		**52.48**		56.83
Total		**730.80**		791.41

* Includes ₹ 25.08 crores (previous year ₹ 34.15 crores) related to by-product & waste handling expense.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(a) Payment to auditors includes following : **(₹ Crores)**

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Payments to Statutory Auditors comprise: (Net of GST Input Credit, where applicable)		
As auditor:		
(i) Statutory audit fees	**0.15**	0.14
(ii) Limited review fees	**0.11**	0.10
In other capacity:		
(i) Certification fees	**0.17**	0.20
(ii) Tax audit fees	**0.04**	0.03
Reimbursement of expenses	**0.01**	0.01
Total	**0.48**	0.48

Note 35 : Earnings per share

Particulars	Unit	Year ended March 31, 2025	Year ended March 31, 2024
Net profit after tax	₹ Crores	**597.77**	497.06
Weighted average number of equity shares of nominal value of ₹ 10 each in calculating Earnings Per Share	Nos.	**14,69,40,683**	15,30,79,198
Basic and diluted earnings per share	₹	**40.68**	32.47

Note 36 : Contingent liabilities and other commitments (to the extent not provided for) **(₹ Crores)**

Particulars	As at March 31, 2025	As at March 31, 2024
(A) Contingent liabilities		
(i) Claims against the Company not acknowledged as debts (In the nature of business contractual claims)	**219.71**	216.07
(ii) Liability under Employees' State Insurance Act, 1948 for contract labour	**Amount not ascertainable**	-
(iii) Income tax assessment orders contested	**22.24**	21.80
(iv) Demands in respect of Central Excise Duty, Custom Duty, Service Tax, GST and Value Added Tax as estimated by the Company	**118.76**	178.22
Total contingent liabilities	**360.71**	416.09
In respect of the above, the expected outflow will be determined at the time of final resolution of the dispute.		
(B) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	**1,247.91**	470.03
(C) Other commitments		
(i) Export obligation on account of benefit of concessional rate of Custom duty availed under EPCG license scheme on imports of capital goods.	**1.12**	180.65
Total other commitments	**1.12**	180.65

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 37 :Related party disclosures

Related party disclosures, as required by Ind AS-24, “Related Party Disclosures”, are given below: **(₹ Crores)**

Name of the Company	Nature of Relationship	Nature of Transactions	Year Ended March 31, 2025	Year Ended March 31, 2024
Gujarat Green Revolution Company Limited	Associate	Sale of goods and services	**-**	- *
		Dividend received	**0.13**	0.13
Gujarat State Fertilizers & ChemicalsLimited	Promotor	Purchase of goods and services	**4.79**	9.97
		Sale of goods and services	**-**	- *
		Dividend received	**3.00**	7.50
		Payment for Buy back of shares	**-**	122.67
		Dividend paid	**48.16**	92.34
Gujarat State Investments Ltd.	Promotor	Dividend paid	**51.99**	99.68
		Payment for Buy back of shares	**-**	132.43
Narmadanagar Rural Development Society	Other related party	Grant for CSR activities	**12.98**	21.89

* Amount nullified on conversion to ₹ crores.

(Amount ₹)

Name of the Person	Nature of Relationship	Nature of Transactions	Year Ended March 31, 2025	Year Ended March 31, 2024
Shri Raj Kumar, IAS Chairman (From 01.08.2023 to 31.01.2025)	Key Management Personnel	Sitting Fees @	**57,500**	52,500 #
Shri Vipul Mitra, IAS Chairman (From 31.01.2023 to 31.07.2023)	Key Management Personnel	Sitting Fees @	**-**	52,500
		Managerial remuneration	**-**	56,41,577
Shri Pankaj Joshi, IAS Chairman (From 06.02.2025)(Managing Director upto 05.02.2025)	Key Management Personnel	Managerial remuneration	**98,767**	59,615
		Sitting Fees @	**20,000**	-
Smt. Mamta Verma, IAS - Director @ (Upto 01.08.2024)	Key Management Personnel	Sitting Fees @ $	**90,000**	1,75,000
Shri Mukesh Puri, IAS - Director @ (Upto 01.02.2024)	Key Management Personnel	Sitting Fees @	**-**	87,500
Shri J P Gupta, IAS - Director @ (Upto 05.08.2024)	Key Management Personnel	Sitting Fees @	**52,500**	1,22,500
Shri Kamal Dayani, (IAS), Director @ (From 09.02.2024)	Key Management Personnel	Sitting Fees @	**97,500**	-
Shri S.J. Haider, (IAS), Director @ (From 13.08.2024)	Key Management Personnel	Sitting Fees @	**1,20,000**	-
Smt. Gaurikumar, IAS (Rtd.) - Director	Key Management Personnel	Sitting Fees	**3,32,500**	3,67,500
Prof. Ranjan Kumar Ghosh - Director	Key Management Personnel	Sitting Fees $	**5,07,500**	4,90,000
Shri Bhadresh Mehta - Director	Key Management Personnel	Sitting Fees	**3,70,000**	3,15,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(Amount ₹)

Name of the Person	Nature of Relationship	Nature of Transactions	Year Ended March 31, 2025	Year Ended March 31, 2024
Dr. N. Ravichandran, Director	Key Management Personnel	Sitting Fees	**2,97,500**	3,85,000
Prof. Piyushkumar Sinha, Director (Upto 07.03.2025)	Key Management Personnel	Sitting Fees	**3,52,500**	2,80,000
Shri Ajai Bahadur Khare, Director (From 17.01.2025)	Key Management Personnel	Sitting Fees	**40,000**	-
Shri T Natarajan, IAS, Managing Director (From 05.02.2025) (appointed as a Director From 11.09.2024)	Key Management Personnel	Managerial remuneration	**-**	-
		Sitting Fees @	**40,000**	-
Shri D V Parikh (ED & CFO)	Key Management Personnel	Remuneration	**91,31,469 ****	1,05,64,361 **
Ms. Chetna Dharajiya, Company Secretary (From 01.06.2024 to 26.03.2025)	Key Management Personnel	Remuneration		
Shri A C Shah (GM & CS) (upto 31.05.2024)	Key Management Personnel	Remuneration		

@ Amount deposited in Government Treasury

** ₹ 0.05 crore Outstanding payable as on March 31, 2025 (₹ 0.07 crore as on March 31, 2024).

Payable as on 31.03.2024

$ ₹ 17,500/- is Payable as on 31.03.2024

Note 38 : Research and development expenses

The statement of profit and loss includes following nature of research & development expenses in the respective heads:

(₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Personnel expenses	**2.98**	3.31
Consumables and spares	**0.05**	0.16
Power and fuel consumption	**0.07**	0.07
Total research and development expenses	**3.10**	3.54

Note 39 : Leases:

Company as a lessee

The Company has taken various land, warehouses, godowns, guest houses, office premises and vehicles used in its operations. These are generally cancellable having a term between one to three year extendable for further period as per the terms of rental agreements.

The Company also has certain leases of warehouses, godowns, office premises and vehicles with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Set out below are the carrying amounts of right-of-use assets recognised as per Ind AS 116 and the movements during the period:

(₹ Crores)

Particulars	Land *	Building	Vehicles	Total
As at April 01, 2023	214.84	1.67	-	216.51
Additions	-	1.32	-	1.32
Deletion / Termination	-	(0.33)	-	(0.33)
Depreciation for the year	(2.54)	(1.00)	-	(3.54)
Dep on Disposals / termination	-	0.20	-	0.20
As at March 31, 2024	**212.30**	**1.86**	**-**	**214.16**
Additions	2.02	0.64	5.08	7.74
Deletion / Termination	-	(0.03)	-	(0.03)
Reclassification	-	-	-	-
Depreciation for the year	(2.61)	(1.12)	(0.42)	(4.15)
Dep on Disposals / termination	-	0.01	-	0.01
As at March 31, 2025	**211.71**	**1.36**	**4.66**	**217.73**

* It inlcudes leasehold land in possession of the Company as a Licensee, pending completion formalities of the lease agreement for a term of 99 years in respect of certain land areas situated at Dahej and Atali.

Set out below are the carrying amounts of lease liabilities and the movements during the period:

(₹ Crores)

Particulars	Amount
As at April 01, 2023	**1.97**
Additions	1.32
Accretion of interest	0.18
Payments	(1.16)
Lease termination	(0.14)
As at March 31, 2024	**2.17**
Additions	5.80
Accretion of interest	0.28
Payments	(1.79)
Lease termination	(0.02)
As at March 31, 2025	**6.44**
Current	**2.51**
Non-Current	**3.93**

The maturity analysis of lease liabilities are disclosed in Note 50.

The effective interest rate for lease liabilities is 8.70%, with maturity between 2020-2049

The following are the amounts recognised in Statement of profit and loss:

(₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Depreciation expense of right-of-use assets	**4.15**	3.54
Interest expense on lease liabilities	**0.28**	0.18
Expense relating to short-term leases (included in other expenses)	**3.09**	3.35
Total amount recognised in profit and loss	**7.52**	7.07

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Company as a lessor

The Company has entered into operating leases on its investment property portfolio consisting of certain office. Rent income also includes rentals received from lease of office premises. These leases is generally for a period of three to four years. There are no restrictions imposed by lease arrangements.

Future minimum rentals receivable under non-cancellable operating leases as at March 31 are as follows:

(₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Not later than one year	**1.34**	2.75
Later than one year not later than five years	**-**	0.86
Total	**1.34**	3.61

Note 40: Corporate social responsibility **(₹ Crores)**

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
A) Gross amount required to be spent by the Company during the year	**32.64**	34.23
B) Amount spent during the year on		
(I) Construction/acquisition of any asset	**-**	-
(II) On purposes other than (I) above	**9.22**	22.70
C) Shortfall / (excess) at the end of the year before set off	**23.42**	11.53
D) Amount available for set off for the year	**-**	-
E) Shortfall / (excess) at the end of the year after set off (Refer below note (a))	**23.42**	11.53
F) Reason for shortfall	**Ongoing Project**	Ongoing Project
G) Nature of CSR activities	**Refer below note (b)**	Refer below note (b)
H) Details of related party transactions in relation to CSR expenditure as per Ind AS 24, Related Party Disclosures (Refer below note (c))	**12.98**	21.89

Note (a) :

The shortfall in CSR expenditure for the financial year ended March 31, 2025 and March 31, 2024, has been deposited into the designated 'Unspent CSR Account' by April 30, 2025 and April 30, 2024 respectively, in accordance with Section 135(6) of the Companies Act, 2013

Note (b) :

The CSR expenditure has been incurred towards implementation of various developmental projects and community-centric initiatives across multiple thematic areas including sectors like Women Empowerment, Rural Development, Livelihood Enhancement, Preventive Healthcare, Promoting Education, Disaster Management, Environmental Sustainability, Promoting Gender Equality.

All projects undertaken fall within the scope of Schedule VII of the Companies Act, 2013 and are aligned with the Sustainable Development Goals (SDGs).

Note (c) :

Represents contribution to Narmadanagar Rural Development Society (NARDES), the CSR implementation arm of the Company for execution of the CSR programs across operational geographies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 41: Gratuity and other post employment benefit plans:

A. Defined contribution plans:

Amount of **₹ 51.11 crores** (March 31, 2024: ₹ 60.89 crores) is recognised as expenses and included in Note No. 31 "Employee benefit expense"

(₹ Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Provident fund	**27.02**	32.99
Contribution to pension scheme	**24.09**	27.90
Total	**51.11**	60.89

B. Defined benefit plans:

The Company has following post employment benefits which are in the nature of defined benefit plans:

(a) Gratuity

(b) Post retirement medical benefit

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity as per payment of Gratuity Act, 1972. The Scheme is funded with Gratuity Trust, which in turn makes contribution to Life Insurance Corporation of India (LIC) in the form of qualifying insurance policy for future payment of gratuity to the employees.

Each year the management reviews the level of funding in the gratuity fund. Such review includes the asset - liability matching strategy. The management decides its contributions based on the results of this review. The management aims to keep annual contributions relatively stable at a level such that no plan deficit (based on valuation performed) will arise.

The plan for the Post retirement medical benefit is unfunded.

The following table summarises the components of net benefit expense recognised in statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans:

March 31, 2025 : Changes in defined benefit obligations and plan assets

(₹ Crores)

		Cost charged to statement of profit and loss				Remeasurement gains/(losses) in other comprehensive income (OCI)						
	April 01, 2024	Service cost	Net interest expense	Sub-total included in statement of profit and loss	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Actuarial changes arising from Experience adjust-ments	Sub-total included in OCI	Contributions by employer	**March 31, 2025**
Gratuity												
Defined benefit obligation	**(357.04)**	**(19.11)**	**(25.58)**	**(44.69)**	**48.35**	**-**	**(0.05)**	**(12.26)**	**2.52**	**(9.79)**	**-**	**(363.17)**
Fair value of plan assets	**356.28**	**-**	**25.52**	**25.52**	**(48.35)**	**(0.52)**	**-**	**-**	**-**	**(0.52)**	**25.40**	**358.33**
Benefit (liability)/Assets	**(0.76)**	**(19.11)**	**(0.06)**	**(19.17)**	**-**	**(0.52)**	**(0.05)**	**(12.26)**	**2.52**	**(10.31)**	**25.40**	**(4.84)**
Post retirement medical benefit												
Defined benefit obligation	**(102.31)**	**(4.18)**	**(7.40)**	**(11.58)**	**4.05**	**-**	**-**	**(3.18)**	**(6.66)**	**(9.84)**	**-**	**(119.68)**
Fair value of plan assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Benefit (liability)/Assets	**(102.31)**	**(4.18)**	**(7.40)**	**(11.58)**	**4.05**	**-**	**-**	**(3.18)**	**(6.66)**	**(9.84)**	**-**	**(119.68)**

March 31, 2024 : Changes in defined benefit obligations and plan assets

(₹ Crores)

		Cost charged to statement of profit and loss				Remeasurement gains/(losses) in other comprehensive income (OCI)						
	April 01, 2023	Service cost	Net interest expense	Sub-total included in statement of profit and loss	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Actuarial changes arising from Experience adjust-ments	Sub-total included in OCI	Contributions by employer	**March 31, 2024**
Gratuity												
Defined benefit obligation	(367.97)	(14.99)	(20.68)	(35.67)	52.69	-	(0.03)	(7.56)	1.50	(6.09)	-	(357.04)
Fair value of plan assets	278.80	-	20.73	20.73	(52.67)	(1.22)	-	-	-	(1.22)	110.64	356.28
Benefit (liability)/Assets	(89.17)	(14.99)	0.05	(14.94)	0.02	(1.22)	(0.03)	(7.56)	1.50	(7.31)	110.64	(0.76)
Post retirement medical benefit												
Defined benefit obligation	(88.83)	(12.90)	(6.68)	(19.58)	4.32	-	-	(4.14)	5.92	1.78	-	(102.31)
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit (liability)/Assets	(88.83)	(12.90)	(6.68)	(19.58)	4.32	-	-	(4.14)	5.92	1.78	-	(102.31)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Insurance fund with LIC *	**100%**	100%

* As the gratuity fund is managed by LIC, details of fund invested by insurer are not available with the Company.

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	Gratuity		Post retirement medical benefit	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Discount rate	**6.82%**	7.21%	**7.05%**	7.24%
Future salary increase	**9% and 7% as per category**	9% and 7% as per category	**N.A**	N.A
Medical Inflation Rate	**N.A**	N.A	**5.00%**	5.00%
Expected rate of return on plan assets	**6.82%**	7.21%	**N.A**	N.A
Employee Turnover Rate	**8% and 1% as per category**	9% and 1% as per category	**1.00%**	1.00%
Mortality rate during employment	**Indian Assured Lives Mortality (2012-14) (Urban)**	Indian Assured Lives Mortality (2012-14) (Urban)	**Indian Assured Lives Mortality (2012-14) (Urban)**	Indian Assured Lives Mortality (2012-14) (Urban)
Mortality rate after employment	**N.A**	N.A	**Indian Individual AMT (2012-15)**	Indian Individual AMT (2012-15)

A quantitative sensitivity analysis for significant assumption is as shown below: **(₹ Crores)**

Particulars	Sensitivity level	Increase / (decrease) in defined benefit obligation (Impact)			
		Gratuity		Post retirement medical benefit	
		Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Discount rate	1% increase	**(29.87)**	(26.39)	**(15.26)**	(13.17)
	1% decrease	**35.60**	31.21	**19.38**	16.75
Salary increase	1% increase	**35.17**	30.95	**N.A**	N.A
	1% decrease	**(30.08)**	(26.66)	**N.A**	N.A
Medical cost inflation	1% increase	**N.A**	N.A	**19.60**	16.98
	1% decrease	**N.A**	N.A	**(15.66)**	(13.54)
Employee turnover	1% increase	**(0.43)**	0.82	**(4.56)**	(4.10)
	1% decrease	**0.46**	(0.96)	**5.48**	4.94

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

The followings are the expected future benefit payments for the defined benefit plan : **(₹ Crores)**

Particulars	Gratuity		Post retirement medical benefit	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Within the next 12 months (next annual reporting period)	**39.58**	50.77	**4.49**	3.71
Between 2 and 5 years	**121.22**	119.10	**22.20**	18.62
Between 6 and 10 years	**132.44**	145.62	**37.34**	32.31
Total expected payments	**293.24**	315.49	**64.03**	54.64

Weighted average duration of defined plan obligation (based on discounted cash flows) **(Years)**

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Gratuity	**11**	10
Post retirement benefit obligation	**15**	16

The followings are the expected contributions to planned assets for the next year: **(₹ Crores)**

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Gratuity	**18.31**	19.09
Post retirement medical benefit	**-**	-

Note 42: Investments in Subsidiary and Associates

Name of Entity	Relationship	Place of Business	Ownership	
			March 31, 2025	March 31, 2024
Gujarat Green Revolution Company Limited	Associate	India	**46.87%**	46.87%

Note: Method of accounting of investments in associate company is at cost.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(b) Additional information as required by paragraph 2 of the 'General instruction for preparation of Consolidated Financial Statements' to schedule III to the Companies Act, 2013:

Particulars	Net Asset (i.e Total Asset - Total Liabilities)		Share of Profit or Loss		Share in other Comprehensive income	
	As % of consolidated net assets	Amount (₹ Crores)	As % of consolidated profit and loss	Amount (₹ Crores)	As % of consolidated other comprehensive income	Amount (₹ Crores)
Parent						
Gujarat Narmada Valley Fertilizers and Chemicals Limited						
- Balance as at March 31, 2025	**98.55%**	**8,451.12**	**97.95%**	**585.52**	**100.00%**	**(88.44)**
- Balance as at March 31, 2024	98.65%	8,196.49	97.53%	484.79	100.00%	(19.25)
Indian associate						
Gujarat Green Revolution Company Limited						
- Balance as at March 31, 2025	**1.45%**	**124.52**	**2.05%**	**12.25**	**0.00%**	**Nil**
- Balance as at March 31, 2024	1.35%	112.27	2.47%	12.27	0.00%	Nil
Total						
- Balance as at March 31, 2025	**100.00%**	**8,575.64**	**100%**	**597.77**	**100.00%**	**(88.44)**
- Balance as at March 31, 2024	100.00%	8,308.76	100.00%	497.06	100.00%	(19.25)

(c) Investment in Associate

The Group has a 46.87% interest in Gujarat Green Revolution Company Limited (GGRCL), which is appointed as a nodal agency by the Government of Gujarat. GGRCL is a public company that is not listed on any public exchange. The Group's interest in GGRCL is accounted for using the equity method in the consolidated financial statements. The following table illustrates the summarised financial information of the Group's investment in GGRCL :

(₹ Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Current assets	**1,037.72**	869.35
Non-current assets	**13.60**	13.99
Current liabilities	**(784.00)**	(642.35)
Non-current liabilities	**(1.65)**	(1.46)
Equity	**265.67**	239.53
Proportion of the group's ownership	**46.87%**	46.87%
Carrying amount of the group's investment	**124.52**	112.27

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(₹ Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Revenue	**51.02**	49.60
Depreciation & amortization	**(0.85)**	(0.66)
Finance cost *	**-**	-
Employee benefit	**(9.79)**	(9.24)
Other expenses	**(4.90)**	(4.15)
Profit before Tax	**35.48**	35.55
Income tax expense	**(9.09)**	(9.07)
Profit for the year	**26.39**	26.48
Total Comprehensive income for the year	**26.39**	26.48
Group's share of profit for the year	**12.37**	12.41
Group's share of other comprehensive income for the year	**-**	-

* Amount nullified on conversion to ₹ crores.

NOTE: 43 (A) :

In earlier year, Hon'ble high Court of Gujarat sanctioned the Scheme of Arrangement and Demerger for transfer of VSAT and ISP Gateway Business of the Company to ING Satcom Ltd., an unlisted Company against case consideration of ₹ 6 crores vide its Common Oral Order dated 15th June, 2012.

The "Appointed Date" of the Scheme is 1st April, 2010.

Pursuant to the Order of the Hon'ble High Court of Gujarat sanctioning the Scheme of Demerger, the Company submitted two separate applications dated 31st January, 2013 to the Department of Telecommunications (DoT) for transfer of VSAT and ISP License in the name of the Transferee Company viz. ING Satcom Limited.

However, the License Transfer Applications remained pending with DoT and as per the legal opinion and assessment, though the Scheme of Demerger was sanctioned by the Hon'ble High Court, the Scheme of Demerger is subject to and conditional upon the approval of DoT for transfer of Licenses from the Company to ING Satcom Limited.

Therefore, vide an Agreement-Cum-Indemnity Bond dated 12.04.2014 executed between the Company and ING Satcom Limited, the assets of demerged business (other than the licenses) were transferred to ING Satcom, subject to certain terms and conditions, inter alia, including the terms for settling the Transaction in the eventuality of non-transfer of Licenses.

Even though, both VSAT and ISP License have expired and the transfer of licenses to ING Satcom is now out of question, settlement of Demerger Transaction with ING Satcom, as per the terms and conditions of the Agreement-Cum- Indemnity Bond dated 12.04.2014, is still pending and therefore, no accounting treatment is given in the books of the Company since 2014-15 till the financial year ended 31.03.2025.

Necessary accounting treatment will be given in the books of accounts of the Company either on disposal of applications for transfer of Licences in the name of ING Satcom Limited by the competent authorities or on finalization of settlement of transaction with ING Satcom Limited. The amount received is classified under other current liabilities (refer Note 24).

NOTE: 43(B) - Demand Notice from Department of Telecommunication (DoT)

In the Financial Year (FY) 2014-15, the Company received a demand of ₹ 2,752 crores from the Department of Telecommunications (DoT), Ministry of Telecommunications, Government of India, towards License Fee, including interest and penalty, for the "Very Small Aperture Terminal (VSAT) License" and "Category A - Internet Service Provider (ISP) - IT License." This demand pertained to the period from FY 2009-10 to FY 2013-14. The Company challenged the demand before the Telecom Disputes Settlement and Appellate Tribunal (TDSAT), which subsequently stayed the demand and restrained DoT from taking any coercive recovery action against the Company.

Subsequently, in FY 2019-20, the Hon'ble Supreme Court of India, in the case of Union of India v. Association of Unified Telecom Service Providers of India, (2020) 3 SCC 525 ("AGR Judgment"), upheld DoT's interpretation of Adjusted Gross Revenue (AGR) affirmed that AGR includes revenue from both licensed as well as unlicensed activities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Pursuant to the Supreme Court ruling, DoT issued revised demand notices dated December 23, 2019, March 05, 2020 and July 15, 2022, amounting to ₹ 15,020 crores, ₹ 16,359 crores and ₹ 21,370 crores, respectively. The demand period was retrospectively extended to encompass the period FY 2005-06 through FY 2019-20.

Aggrieved by these revised demands, the Company submitted representations to DoT on January 06, 2020, February 21, 2020, April 03, 2020 and March 04, 2022, requesting reconsideration and withdrawal of the demands. In its representations, the Company underscored that revenues from its Fertilizers & Chemicals business, which is entirely unrelated to VSAT and ISP-IT Licenses, should not be included in computation of AGR and License Fees.

Subsequent legal & regulatory developments, such as distinction between non-Telecom PSUs and Core Telecom Companies, duly recognized by both DoT and the Hon'ble Supreme Court; the TDSAT Judgment in the case of Union of India Vs M/s Netmagic Solutions Pvt. Ltd, Civil Appeal 9012/2022 ("Netmagic Judgment") and; the 2021 Telecom Reforms, have carved out several exceptions to the interpretation of the term "AGR" and computation of AGR and the License Fees.

These exceptions provide critical relief, particularly for the similar category of licensees and the non-telecom / non-licensed revenue streams.

Based on a detailed and meticulous legal assessment in consultation with eminent Senior Advocates, the Company firmly believes that it has strong grounds to contest the demands raised by DoT. Consequently, the Company has neither provided for this amount in its Books of Accounts nor recognized it under Contingent Liability.

Note 44: Ageing for trade receivables

44.1 : Ageing for trade receivables as at March 31, 2025 is as follows : **(₹ Crores)**

Particulars	Not due	Outstanding for following periods from due date of payment: Less than 6 Months	6 months to 1 year	1 to 2 year	2 to 3 year	more than 3 years	Grand Total
Trade Receivables							
Undisputed, considered Good	**112.30**	**40.61**	**5.74**	**0.06**	**0.02**	**-**	**158.73**
Undisputed, Credit Impaired	-	-	-	-	**0.02**	**0.11**	**0.13**
Disputed, considered Good	-	-	**1.46**	**0.16**	**0.03**	-	**1.65**
Disputed, Credit Impaired	-	-	-	-	**0.03**	**1.47**	**1.50**
Subsidy receivable							
Undisputed, considered Good	-	**262.20**	-	-	-	-	**262.20**
Disputed, Credit Impaired	-	-	-	-	-	-	-
Total as on 31.03.2025	**112.30**	**302.81**	**7.20**	**0.22**	**0.10**	**1.58**	**424.21**

44.2 : Ageing for trade receivables as at March 31, 2024 is as follows : **(₹ Crores)**

Particulars	Not due	Outstanding for following periods from due date of payment: Less than 6 Months	6 months to 1 year	1 to 2 year	2 to 3 year	more than 3 years	Grand Total
Trade Receivables							
Undisputed, considered Good	122.76	62.61	2.06	0.11	0.08	-	187.62
Undisputed, Credit Impaired	-	-	-	0.09	0.29	-	0.38
Disputed, considered Good	-	1.01	0.66	5.04	1.77	-	8.48
Disputed, Credit Impaired	-	-	-	1.77	5.55	-	7.32
Subsidy receivable							
Undisputed, considered Good	-	430.29	-	-	-	-	430.29
Disputed, considered Good	-	-	-	-	-	-	-
Total as on 31.03.2024	122.76	493.91	2.72	7.01	7.69	-	634.09

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 45 : Ageing for trade Payable

45.1 : Ageing for trade payables as at March 31, 2025 is as follows : **(₹ Crores)**

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1 to 2 year	2 to 3 year	more than 3 years	Grand Total
Trade Payables						
Undisputed - MSME	**23.23**	**1.97**	**-**	**-**	**-**	**25.20**
Undisputed - Others	**439.79**	**24.28**	**-**	**-**	**-**	**464.07**
Disputed - MSME	**-**	**-**	**-**	**0.03**	**-**	**0.03**
Disputed - Others	**1.92**	**0.36**	**0.31**	**0.24**	**2.75**	**5.58**
Total - MSME	**23.23**	**1.97**	**-**	**0.03**	**-**	**25.23**
Total - Others	**441.71**	**24.64**	**0.31**	**0.24**	**2.75**	**469.65**

45.2 : Ageing for trade payables as at March 31, 2024 is as follows : **(₹ Crores)**

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1 to 2 year	2 to 3 year	more than 3 years	Grand Total
Trade Payables						
Undisputed - MSME	26.96	4.71	-	0.24	1.34	33.25
Undisputed - Others	346.01	100.34	6.79	2.21	22.06	477.41
Disputed - MSME	-	-	0.03	-	-	0.03
Disputed - Others	0.44	1.60	1.10	1.07	7.50	11.71
Total - MSME	26.96	4.71	0.03	0.24	1.34	33.28
Total - Others	346.45	101.94	7.89	3.28	29.56	489.12

Note 46 : Segment Information

Operating Segments

The identified reportable segments are Fertilizers, Chemicals and Others in terms of the requirements of Ind AS 108 “Operating Segments” as notified under section 133 of the Companies Act, 2013. Other Segment mainly includes Information Technology division activities and neem product related activities.

Identification of Segments:

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements, Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

Segment revenue and results:

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure and unallocable income.

Segment assets and liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipment, trade receivables, inventory and other operating assets. Segment liabilities primarily include trade payable and other liabilities. Common assets and liabilities which cannot be allocated to any of the business segments are shown as unallocable assets / liabilities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Inter Segment transfer:

Inter Segment revenues are recognised at sales price. The same is based on market price and business risks. Profit or loss on inter segment transfer are eliminated at the Company level.

Summary of segment information is given below:

Note 46.1: Financial information about the primary business segment's Revenue & Results :

(₹ Crores)

	Fertilizers		Chemicals		Others		Total	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
A REVENUE:								
External sales revenue	**2,900.16**	3,053.95	**4,900.04**	4,725.47	**92.25**	150.31	**7,892.45**	7,929.73
Intersegment revenue	**-**	-	**-**	-	**-**	-	**-**	-
Total Revenue	**2,900.16**	3,053.95	**4,900.04**	4,725.47	**92.25**	150.31	**7,892.45**	7,929.73
B RESULT:								
Segment result	**(179.58)**	(244.14)	**664.58**	542.59	**23.05**	45.26	**508.05**	343.71
Unallocable income							**360.83**	385.62
Unallocable expenses							**(55.54)**	(65.70)
Operating profit							**813.34**	663.63
Finance costs							**(22.95)**	(12.52)
Profit before tax							**790.39**	651.11

Note 46.2: Financial information about the primary business segment's assets and liabilities :

(₹ Crores)

Assets & Liabilities	Fertilizers As At		Chemicals As At		Others As At		Total As At	
	31-03-2025	31-03-2024	31-03-2025	31-03-2024	31-03-2025	31-03-2024	31-03-2025	31-03-2024
Segment assets	**1,891.49**	2,054.18	**2,824.59**	2,626.07	**152.26**	203.24	**4,868.34**	4,883.49
Segment liabilities	**(1,146.05)**	(1,289.30)	**(665.91)**	(509.71)	**(106.12)**	(169.29)	**(1,918.08)**	(1,968.30)
Other unallocable corporate assets	**-**	-	**-**	-	**-**	-	**6,134.90**	5,788.38
Other unallocable corporate liabilities	**-**	-	**-**	-	**-**	-	**(509.52)**	(394.81)
Total capital employed	**745.44**	764.88	**2,158.68**	2,116.36	**46.14**	33.95	**8,575.64**	8,308.76
Capital assets/ expenditure incurred during the year:								
Capital assets including capital work in progress	**31.35**	68.48	**176.48**	123.56	**0.01**	8.68	**207.84**	200.72
Other unallocable capital expenditures	**-**	-	**-**	-	**-**	-	**39.46**	71.89
Total	**31.35**	68.48	**176.48**	123.56	**0.01**	8.68	**247.30**	272.61

Note 46.3:

As per the directives issued by Department of Fertilizers (DoF) for evaluation of reasonableness of MRP of P & K fertilizers under the NBS policy, every Company needs to report P & K fertilizers as a separate segment in Annual Audited Accounts. Accordingly, in accordance with Ind AS 108 for FY 24-25 the P & K Fertilizers Revenue is reported at ₹ 683 crores and Result is reported at ₹ (90) crores.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note: 47 Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below. **(₹ Crores)**

Particulars	FVTOCI Reserve		Retained Earnings		Total	
	Year Ended March 31, 2025	Year Ended March 31, 2024	Year Ended March 31, 2025	Year Ended March 31, 2024	Year Ended March 31, 2025	Year Ended March 31, 2024
Re-measurement (loss) / gain on defined benefit plans (net of tax)	-	-	**(15.08)**	(4.14)	**(15.08)**	(4.14)
Net (loss) / gain on FVTOCI on equity Investments (net of tax)	**(73.36)**	(15.11)	**-**	-	**(73.36)**	(15.11)
	(73.36)	(15.11)	**(15.08)**	(4.14)	**(88.44)**	(19.25)

Note 48 : Details of hedged and unhedged exposure in foreign currency (FC) denominated monetary items :

(a) Exposure in foreign currency - Hedged

(i) Amounts Payable in Foreign Currency :

Particulars	As at March 31, 2025			As at March 31, 2024		
	₹ Crores	Amount in FC		₹ Crores	Amount in FC	
Payables for import *	**89.98**	**USD**	**1,02,64,000**	-	USD	-
Payables for import *	**-**	**Euro**	**-**	7.59	Euro	8,40,150
Payables for future import *	**39.11**	**Euro**	**40,73,500**	17.54	Euro	19,01,600

* The above payable amounts are hedged against Forward exchange Contracts.

(ii) Amounts receivable in foreign currency :

Particulars	As at March 31, 2025			As at March 31, 2024		
	₹ Crores	Amount in FC		₹ Crores	Amount in FC	
Cash and cash equivalents (EEFC)	**-**	**USD**	**-**	0.53	USD	64,644

(b) Exposure in foreign currency - Unhedged

(i) Amounts payable in foreign currency :

Particulars	As at March 31, 2025			As at March 31, 2024		
	₹ Crores	Amount in FC		₹ Crores	Amount in FC	
Payables for Import	**2.82**	**Euro**	**3,05,117**	2.31	Euro	2,56,017
Payables for Import	**44.76**	**USD**	**52,36,623**	0.45	USD	53,734
Payables for Import	**-**	**CHF**	**-**	0.01	CHF	1,070
Payables for Import	**0.04**	**JPY**	**6,90,000**	-	JPY	-

(ii) Amounts receivable in foreign currency :

Particulars	As at March 31, 2025			As at March 31, 2024		
	₹ Crores	Amount in FC		₹ Crores	Amount in FC	
Receivables for export	**-**	**USD**	**-**	1.07	USD	1,28,800

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

The following significant exchange rates have been applied :

INR	Year end spot rate	
	March 31, 2025	March 31, 2024
USD 1	**Import - ₹ 85.47**	Import - ₹ 83.89 & ₹ 83.40 Export - ₹ 83.40
EURO 1	**₹ 92.431**	₹ 91.26 & ₹ 89.96
GBP 1	**N.A.**	N.A.
CHF 1	**N.A.**	₹ 92.406
JPY 1	**₹ 0.5698**	N.A

Note 49 : Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management :

49.1 : Category-wise classification of financial instruments: (₹ Crores)

Particulars	Refer Note	As at March 31, 2025			
		Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Carrying Value
Financial assets					
Cash and cash equivalents	14	-	-	**18.55**	**18.55**
Other bank balances	15	-	-	**2,289.85**	**2,289.85**
Investments in equity shares (other than investment in subsidiary & associate entity)	8	**871.19**	-	-	**871.19**
Investments in unquoted equity shares of subsidiary entity and associate entity	8	-	-	**124.52**	**124.52**
Investments in unquoted debentures, Govt Securities & State development Loans	8	-	**7.38**	**1,300.69**	**1,308.07**
Trade receivables	11	-	-	**422.58**	**422.58**
Loans and advances	9	-	**181.43**	**545.00**	**726.43**
Other financial assets	10	-	-	**143.48**	**143.48**
Total		**871.19**	**188.81**	**4,844.67**	**5,904.67**
Financial liabilities					
Borrowings	18	-	-	**99.16**	**99.16**
Trade payables	20	-	-	**494.88**	**494.88**
Derivatives instruments not designated as hedge	21	-	**3.08**	-	**3.08**
Lease liability	39	-	-	**6.44**	**6.44**
Other financial liabilities	21	-	-	**338.46**	**338.46**
Total		-	**3.08**	**938.94**	**942.02**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(₹ Crores)

Particulars	Refer Note	As at March 31, 2024			
		Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Carrying Value
Financial assets					
Cash and cash equivalents	14	-	-	42.56	42.56
Other bank balances	15	-	-	1,486.34	1,486.34
Investments in equity shares (other than investment in subsidiary & associate entity)	8	946.88	-	-	946.88
Investments in unquoted equity shares of subsidiary entity and associate entity	8	-	-	112.27	112.27
Investments in unquoted debentures, Govt Securities & State development Loans	8	-	13.52	1,957.46	1,970.98
Trade receivables	11	-	-	626.39	626.39
Loans and advances	9	-	157.59	350.00	507.59
Other financial assets	10	-	-	111.97	111.97
Total		**946.88**	**171.11**	**4,686.99**	**5,804.98**
Financial liabilities					
Borrowings	18	-	-	0.56	0.56
Trade payables	20	-	-	522.40	522.40
Lease Liability	39	-	-	2.17	2.17
Derivatives instruments not designated as hedge	21	-	0.20	-	0.20
Other financial liabilities	21	-	-	348.66	348.66
Total		**-**	**0.20**	**873.79**	**873.99**

Note 49 : Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management :

49.2 : Fair value measurements:

a) Quantitative disclosures of fair value measurement hierarchy for financial assets and financial liabilities

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities:

(₹ Crores)

Particulars	As at March 31, 2025				As at March 31, 2024			
	Significant observable inputs (Level 1*)	Significant observable inputs (Level 2)	Significant observable inputs (Level 3)	Total	Significant observable inputs (Level 1*)	Significant observable inputs (Level 2)	Significant observable inputs (Level 3)	Total
Financial assets measured at fair value								
Investment in quoted equity investments measured at FVTOCI (refer Note 8)	**478.92**	**-**	**-**	**478.92**	564.97	-	-	564.97
Investment in unquoted equity investments measured at FVTOCI (refer Note 8)	**-**	**-**	**392.27**	**392.27**	-	-	381.91	381.91
Investments in unquoted debentures, Govt Securities & State development Loans (refer Note 8)	**-**	**-**	**7.38**	**7.38**	-	-	13.52	13.52
Loans and advances (refer Note 9)	**-**	**-**	**181.43**	**181.43**	-	-	157.59	157.59
Total	**478.92**	**-**	**581.08**	**1,060.00**	564.97	-	553.02	1,117.99
Financial liabilities measured at fair value:								
Derivative instruments (refer Note 21)	**-**	**3.08**	**-**	**3.08**	-	0.20	-	0.20
Total	**-**	**3.08**	**-**	**3.08**	-	0.20	-	0.20
Asset for which fair values are disclosed :								
Investment properties (refer Note 6)	**-**	**-**	**112.57**	**112.57**	-	-	103.91	103.91

*The fair value of the quoted equity investments are derived from quoted market prices in active market.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

b) Description of significant unobservable inputs to valuation:

The significant unobservable inputs used in the fair value measurement categorized within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2025 and March 31, 2024 are as shown below:

Particulars	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
FVTOCI assets in unquoted equity shares (Gujarat State Petroleum Corporation Limited)	Sum Of The Parts ("SOTP") valuation approach *	Gas marketing business	10% increase (decrease) in the Gas marketing business would result in increase / (decrease) in fair value as of March 31, 2025 : ₹ 1.42 crores (₹ 1.42 crores). 10% increase (decrease) in the Gas marketing business would result in increase / (decrease) in fair value as of March 31, 2024 : ₹ 1.36 crores (₹ 1.36 crores).	
FVTOCI assets in unquoted equity shares (Gujarat Chemical Port Limited) (Formerly known as Gujarat Chemical Port Terminal Company Limited)	Income Approach -DCF Method FCFE	Terminal Growth Rate	31 March 2025 : 4% - 6% (5%) 31 March 2024 : 4% - 6% (5%)	1% increase / decrease in the terminal growth rate would result in increase / (decrease) in fair value as of March 31, 2025 : ₹ 14.07 crores (₹ 12.51 crores) {1% increase / decrease in the terminal growth rate would result in increase / (decrease) in fair value as of March 31, 2024 : ₹ 14.85 crores (₹ 10.16 crores)}
		Weighted Average Cost of Capital (WACC)	31 March 2025 : 13.10% - 15.10% (14.10%) 31 March 2024 : 12.90% - 14.90% (13.90%).	1% increase / decrease in the WACC would result in decrease / (increase) in fair value as of March 31, 2025 : ₹ 17.98 crores (₹ 21.11 crores) {1% increase / decrease in the WACC would result in decrease / (increase) in fair value as of March 31, 2024 : ₹ 16.42 crores (₹ 22.67 crores)}
		EBITDA (₹ Crores)		10% increase / decrease in the EBITDA would result in increase / (decrease) in fair value as of March 31, 2025 : ₹ 30.49 crores (₹ 31.27 crores) {10% increase / decrease in the EBITDA would result in increase / (decrease) in fair value as of March 31, 2024 : ₹ 23.45 crores (₹ 21.89 crores)}
FVTOCI assets in unquoted equity shares (Gujarat Venture Finance Limited)	Cost Approach - Net asset value	Share holders fund (₹ Crores)	31 March 2025 : ₹ 35.72 crores - ₹ 39.48 crores (₹ 37.60 crores) 31 March 2024 : ₹ 36.86 crores - ₹ 40.74 crores (₹ 38.80 crores)	₹ 1.88 crores increase / decrease in the shareholders fund would result in increase / (decrease) in fair value as of March 31, 2025 by ₹ 0.03 crore (₹ 0.03 crore) {₹ 1.94 crores increase / decrease in the shareholders fund would result in increase / (decrease) in fair value as of March 31, 2024 by ₹ 0.03 crore (₹ 0.03 crore)}
		Discount to Book Value	31 March 2025 : 15% - 25% (20%) 31 March 2024 : 15% - 25% (20%)	5% increase / decrease in the discount to book value would result in decrease / (increase) in fair value as of March 31, 2025 : ₹ 0.04 crore (₹ 0.04 crore) {5% increase / decrease in the discount to book value would result in decrease / (increase) in fair value as of March 31, 2024 : ₹ 0.04 crore (₹ 0.04 crore)}

FVTOCI assets in unquoted equity shares (Bharuch Enviro Infrastructure Limited)	Market Approach - Comparable companies	Market Multiple Discount	31 March 2025 : 30% - 40% (35%) 31 March 2024 : 30% - 40% (35%)	5% increase / decrease in the market multiple discount would result in decrease / (increase) in fair value as of March 31, 2025 : ₹ 0.86 crore (₹ 0.85 crore) {5% increase / decrease in the market multiple discount would result in decrease / (increase) in fair value as of March 31, 2024 : ₹ 0.73 crore (₹ 0.73 crore)}
		EBITDA (₹ Crores)	31 March 2025 : ₹ 137.56 crores - ₹ 152.04 crores (₹ 144.80 crores) 31 March 2024 : ₹ 110.96 crores - ₹ 122.64 crores (₹ 116.80 crores)	₹ 7.24 crores increase / decrease in the EBITDA would result in increase / (decrease) in fair value as of March 31, 2025 : ₹ 0.56 crore (₹ 0.56 crore { ₹ 5.84 crore increase / decrease in the EBITDA would result in increase / (decrease) in fair value as of March 31, 2024 : ₹ 0.47 crore (₹ 0.47 crore)}
FVTOCI assets in unquoted equity shares (Bharuch Dahej Railway Company Limited)	Cost Approach & Market approach -Comparable Company Multiple and Net Asset Value	Discount to Book Value	31 March 2025 : 25% - 35% (30%) 31 March 2024 : 10% - 30% (20%)	5% increase / decrease in the discount to book value would result in decrease / (increase) in fair value as of March 31, 2025 : ₹ 1.45 crores (₹ 1.45 crores) {10% increase / decrease in the discount to book value would result in decrease / (increase) in fair value as of March 31, 2024 : ₹ 2.29 crores (₹ 2.30 crores)}
FVTOCI assets in unquoted equity shares (Ecophos GNFC India Private Limited)	As on March 31, 2020, the parent Company M/s EcoPhos S.A. holding 85% in the entity has applied for bankruptcy hence the Company has Fair valued the investment as ₹ 1 (Refer Note 8). During the year there is no change in bankruptcy status.			

* The SOTP approach is normally used for valuing a firm by separately assessing the value of each business segment or subsidiary or associate companies or Investments and adding them up to get the total value of the firm. The valuation approach used to value each Business/Investment Companies are Cost Approach/Market Approach/Income Approach. The appropriate approach / method with appropriate adjustment is used considering size, nature and complexities of business/investment.

c) Financial Instrument measured at amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

49.3 : Financial Risk objective and policies:

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, deposits, investments, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds FVTOCI & FVTPL investments and enters into derivative transactions.

In the ordinary course of business, the Company is mainly exposed to risks resulting from exchange rate fluctuation (currency risk), interest rate movements (interest rate risk) collectively referred as Market Risk, Credit Risk, Liquidity Risk and other price risks such as equity price risk and commodity price risk. The Company's senior management oversees the management of these risks. It manages its exposure to these risks through derivative financial instruments by hedging transactions as required. It uses derivative instruments such as foreign currency forward contract to manage currency risks. These derivative instruments reduce the impact of both favourable and unfavourable fluctuations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

The Company's risk management activities are subject to the management, direction and control of the management of the Company under the guideline of the Board of Directors of the Company. The management ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

The decision of whether and when to execute derivative financial instruments along with its tenure can vary from period to period depending on market conditions and the relative costs of the instruments. The tenure is linked to the timing of the underlying exposure, with the connection between the two being regularly monitored. The Company is exposed to losses in the event of non-performance by the counterparties to the derivative contracts. All derivative contracts are executed with counterparties that, in management's judgment, are creditworthy. The outstanding derivatives are reviewed periodically to ensure that there is no inappropriate concentration of outstanding to any particular counterparty.

Further, all currency and interest risk as identified above is measured on a daily basis by monitoring the mark to market (MTM) of open and hedged position. For year ends, the MTM for each derivative instrument outstanding is obtained from respective banks. All gain / loss arising from MTM for open derivative contracts and gain / loss on settlement / cancellation / roll over of derivative contracts is recorded in statement of profit and loss.

a) 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 price risk. Financial instruments affected by market risk include loans and borrowings, FVTOCI investments and derivative financial instruments. The sensitivity analysis in the following sections relate to the position as at March 31, 2025 and March 31, 2024

The sensitivity analysis have been prepared on the basis that the amount of net debt, interest rates of the debt and derivatives are all constant as at March 31, 2025. The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations and provisions.The following assumptions have been made in calculating the sensitivity analysis:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2025 and March 31, 2024.

(i) Interest rate risk

The Company is exposed to changes in market interest rates due to financing, investing and cash management activities. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term debt obligations.

(ii) Foreign currency risk

Exchange rate movements, particularly the United States Dollar (USD) and Euro (EUR) against Indian Rupee (INR), have an impact on the Company's operating results. The Company manages its foreign currency risk by entering into various foreign exchange contracts to mitigate the risk arising out of foreign exchange rate movement on trade payables. Further, to hedge foreign currency future transactions in respect of which firm commitment are made or which are highly probable forecast transactions (for instance, foreign exchange denominated income) the Company has entered into foreign currency forward contracts as per the policy of the Company.

The details of exposures hedged using forward contracts and the details of unhedged exposures are given as part of Note 49.

The Company is mainly exposed to changes in USD and EURO. The below table demonstrates the sensitivity to a 5% increase or decrease in the respective foreign currency rates against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 5% represents management's assessment of reasonably possible change in foreign exchange rate.

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(₹ Crores)

Particulars	Impact on Profit before tax		Impact on Pre-tax Equity	
	For the year ended		For the year ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
USD Sensitivity				
RUPEES / USD – Increase by 5%	**(2.24)**	0.04	**(2.24)**	0.04
RUPEES / USD – Decrease by 5%	**2.24**	(0.04)	**2.24**	(0.04)
EURO Sensitivity				
RUPEES / EURO – Increase by 5%	**(0.14)**	(0.12)	**(0.14)**	(0.12)
RUPEES / EURO – Decrease by 5%	**0.14**	0.12	**0.14**	0.12

(iii) Commodity price risk

The Company's operating activities require the ongoing purchase of natural gas. Natural gas being an international commodity is subject to price fluctuation on account of the change in the crude oil prices, demand supply pattern of natural gas and exchange rate fluctuations. The Company is not affected by the price volatility of the natural gas to the extent consumed for Urea as under the Urea pricing formula the cost of natural gas is pass through if the consumption of natural gas is within the permissible norm for manufacturing of Urea.

The Company also deals in purchase of other feed stock materials (i.e. Rock phosphate, Toluene and Denatured Ethyl Alcohol) which are imported by the Company and used in the manufacturing of Ammonium Nitro Phosphate, Toluene Di-isocyanate and Ethyl Acetate. The import prices of these materials are governed by international demand and supply pattern. There is a price and material availability risk, which is managed by senior management team through sensitivity analysis, commodity price tracking.

(iv) Equity price risk

The Company's investment in listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

At the reporting date, the exposure to unlisted equity securities at fair value was ₹ 392.27 crores. Sensitivity analyses of these investments have been provided in Note 49.2(b).

At the reporting date, the exposure to listed equity securities at fair value was ₹ 478.92 crores. A decrease of 5% on the BSE market price could have an impact of approximately ₹ 23.95 crores on the OCI or equity attributable to the Group. An increase of 5% in the value of the listed securities would also impact OCI and equity. These changes would not have an effect on profit or loss.

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and other financial assets) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive evaluation and individual credit limits are defined in accordance with this assessment.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on exchange losses historical data.

Credit risk from balances with banks and non-banking finance companies is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's management. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Trade receivables

The Company's receivables can be classified into two categories, one is from the customers/ dealers in the market and second one is from the central and state Government in the form of subsidy. As far as Government portion of receivables is concerned, credit risk is Nil except where there are uncertainties due to non-acknowledgement of claims. In respect of market receivables from the customers/ dealers, the Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extensions of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as for certain products it extends rolling credit to its customers, against the collateral.

Trade receivables, other than subsidy receivables are secured to the extent of interest free security deposits and bank guarantees received from the customers amounting to ₹ 21.63 crores and ₹ 23.97 crores as at 31st March, 2025 and 31st March, 2024 respectively. (Refer Note No. 11 for Trade Receivables outstanding).

The Company follows a 'simplified approach' (i.e. based on lifetime ECL) for recognition of impairment loss allowance on Trade receivables, other than those receivables from the Government of India. For the purpose of measuring lifetime ECL allowance for trade receivables, the company estimates irrecoverable amounts based on the ageing of the receivable balances and historical experience in respect of certain categories of the customers. Individual trade receivables are written off when management deems them not to be collectible

c) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages the liquidity risk by maintaining adequate funds in cash and bank balances. The Company also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

The table below analyses derivative and non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

(₹ Crores)

Particulars	Refer Note	On Demand	Less than 1 year	1 to 5 years	Over 5 years	Total
As at March 31, 2025						
Borrowings	19	**99.16**	**-**	**-**	**-**	**99.16**
Trade payables	20	**-**	**494.88**	**-**	**-**	**494.88**
Lease liability	39	**-**	**2.51**	**3.69**	**0.24**	**6.44**
Derivatives Instruments not designated as hedge	21	**-**	**3.08**	**-**	**-**	**3.08**
Other financial liabilities	21	**-**	**335.81**	**2.65**	**-**	**338.46**
Total		**99.16**	**836.28**	**6.34**	**0.24**	**942.02**
As at March 31, 2024						
Borrowings	19	0.56	-	-	-	0.56
Trade payables	20	-	522.40	-	-	522.40
Lease liability	39	-	0.98	0.99	0.20	2.17
Derivatives Instruments not designated as hedge	21	-	0.20	-	-	0.20
Other financial liabilities	21	-	343.55	5.11	-	348.66
Total		**0.56**	**867.13**	**6.10**	**0.20**	**873.99**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

49.4 : Capital Management:

For the purposes of the Company's capital management, capital includes issued capital and all other equity. The primary objective of the Company's capital management is to maximize shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using gearing ratio, which is net debt (total debt less cash and bank balance) divided by total capital plus net debt.

(₹ Crores)

Particulars	March 31, 2025	March 31, 2024
Total Borrowings (refer note 19)	**99.16**	0.56
Less: Cash and bank balances (refer Note 14 and 15)	**2,308.40**	1,528.90
Net Debt (A)	**(2,209.24)**	(1,528.34)
Total Equity (B)	**8,575.64**	8,308.76
Total Equity and Net Debt (C = A + B)	**6,366.40**	6,780.42
Gearing ratio	**-**	-

Since net debt is negative, same is considered as zero.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it 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. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024.

Note 50 : Additional disclosures required as per Schedule III to the Companies Act, 2013;

(i) The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2025 and March 31, 2024.

(ii) No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at March 31, 2025 and March 31, 2024.

(iii) The Company is not a declared wilful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, during the year ended March 31, 2025 and March 31, 2024.

(iv) The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the year ended March 31, 2025 and March 31, 2024.

(v) There have been no transactions which have not been recorded in the books of accounts, that have been surrendered or disclosed as income during the year ended March 31, 2025 and March 31, 2024, in the tax assessments under the Income Tax Act, 1961. There have been no previously unrecorded income and related assets which were to be properly recorded in the books of account during the year ended March 31, 2025 and 31 March 31, 2024.

(vi) The Company has taken borrowings from banks and financial institutions and utilised them for the specific purpose for which they were taken as at the Balance sheet date. Quarterly statements of current assets filed by the Company with Bank are in agreement with the books of accounts of the Company for the respective periods, except for the following : **(₹ Crores)**

Quarter ended	Nature of current Assets / Liabilities where differences were observed	Amount disclosed as per quarterly return / statement	Amount as per books of accounts	Amount of Difference	Reasons for material difference
June 30, 2024	Trade payable	449.36	481.16	(31.80)	Note - 1
September 30, 2024	Advances to suppliers	65.96	43.81	22.15	Note - 2
	Trade payable	494.32	502.77	(8.45)	Note - 1 & 2
December 31, 2024	Trade payable	336.09	361.49	(25.40)	Note - 1
March 31, 2025	Trade payable	467.29	494.88	(27.59)	Note - 1

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Notes:

Note-1 : Liability towards accrued expenses not considered in returns / statements submitted to bank.

Note-2 : reclassification adjustments after submission of stock statement not considered in returns / statements submitted to bank.

(vii) Based on the Ministry of Corporate Affairs (MCA) portal, charges aggregating to ₹ 0.46 crore are appearing as “Open” as of March 31, 2025 which were executed with Banks (the lender) in relation to securing repayment of loan facility related to year 1990. The Company is in process to obtain the No Objection Certificates from the Banks. Once the same is received, the Company will file the “Satisfaction of Charge” with the Registrar of Companies (ROC).

(viii) Utilisation of borrowed funds and share premium

I. 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 the like to or on behalf of the ultimate beneficiaries.

II. 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) directly 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 behalf of the ultimate beneficiaries.

Note 51 : Code on Social Security

The Indian Parliament has approved & the President has accorded the assent the Code on Social Security, 2020 (‘Code’) in September, 2020. The Code might impact the contributions by the Company towards Provident Fund, Gratuity and other employment and post-employment employee benefits. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record the impact, if any, in the period in which the Code becomes effective.

Note 52 :

Balances of certain trade receivables, advances given and trade payables are subject to confirmation/ reconciliation, if any. The management does not expect any material difference affecting the financial statements on such reconciliation / adjustments.

Note 53 : Event occurred after the Balance Sheet Date:

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of May 23, 2025 there were no material subsequent events to be recognized or reported that are not already previously disclosed.

Note 54 :

The previous year’s figures have been regrouped / reclassified, wherever necessary, to conform to the figures of the current year presentation.

For and on behalf of the Board of Directors,

D. V. Parikh	**Rajesh Pillai**	**Dr. T. Natarajan, IAS**	**Pankaj Joshi, IAS**
Executive Director & CFO	Company Secretary	Managing Director	Chairman
	(ICSI M. No. : ACS 27145)	(DIN : 00396367)	(DIN : 01532892)

As per our report of even date
For **Suresh Surana & Associates LLP**
Chartered Accountants
(Firm Registration No.: 121750W/W100010)

Place : Gandhinagar
Date : 23-05-2025

Ramesh Gupta
Partner
Membership No. 102306

Place : Gandhinagar
Date : 23-05-2025

ANNEXURE TO THE CONSOLIDATED FINANCIAL STATEMENTS

Form AOC- I

(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 statement of subsidiaries/associate companies/joint ventures

PART "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the companies Act, 2013 related to Associate Company and Joint Ventures

	Name of Associates	Gujarat Green Revolution Company Limited
1	Latest audited Balance Sheet Date	31-03-2024
2	Shares of Associates held by the company on the year end	
	No.	12,50,000
	Amount of Investment in Associates (₹ in lakh)	125
	Extent of Holding %	46.87%
3	Description of how there is significant influence	Holding more than 20% of the total capital
4	Reason why the Associate is not consolidated	Not Applicable
5	(i) Networth attributable to shareholding as per latest audited Balance Sheet as on 31-03-2024 (₹ in lakh)	11,227
	(ii) Networth attributable to shareholding as per latest unaudited Balance Sheet as on 31-03-2025 (₹ in lakh)	12,452
6	Unaudited Profit / (Loss) for the FY 2024-25 (₹ in lakh)	2,639
	i. Considered in Consolidation (₹ in lakh)	1,237
	ii. Not Considered in Consolidation (₹ in lakh)	-

1	Name of Associates which are yet to commence Operation	None
2	Names of Associates which have been liquidated or sold during the year	None

For and on behalf of the Board of Directors,

D. V. Parikh	**Rajesh Pillai**	**Dr. T. Natarajan, IAS**	**Pankaj Joshi, IAS**
Executive Director & CFO	Company Secretary	Managing Director	Chairman
	(ICSI M. No. : ACS 27145)	(DIN : 00396367)	(DIN : 01532892)

Place : Gandhinagar
Date : 23-05-2025

NOTES

GNFC

Gujarat Narmada Valley Fertilizers & Chemicals Limited
ISO 9001, ISO 14001, ISO 45001 & ISO 50001 Certified Company
P.O. Narmadanagar - 392 015, Dist. Bharuch, Gujarat, INDIA.
Ph.: +91 (02642) 247001, 247002
CIN: L24110GJ1976PLC002903 | **Website:** www.gnfc.in