



CHAMBAL FERTILISERS AND CHEMICALS LIMITED

Ref. No.: CFCL/SE/2025-26/35

August 1, 2025

BSE Limited

Phiroze Jeejeebhoy Towers
25th Floor, Dalal Street
Mumbai - 400 001

National Stock Exchange of India Limited

Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E)
Mumbai - 400 051

Dear Sir,

Pursuance to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the following documents:

1. Notice of the Fortieth Annual General Meeting of the Company scheduled to be held at 10.30 A.M. Indian Standard Time on Tuesday, August 26, 2025.
2. Annual Report of the Company for the Financial Year 2024-25.

You are requested to take the same on records.

Thanking you,

Yours faithfully,

For **Chambal Fertilisers and Chemicals Limited**

(Tridib Barat)

Vice President - Legal & Company Secretary

Encl.: a/a



Chambal Fertilisers and Chemicals Limited

(CIN: L24124RJ1985PLC003293)

Registered Office: Gadepan, District Kota, Rajasthan, PIN – 325 208, India

Telephone No. +91-744-2782915; Fax No. +91-7455-274130

Corporate Office: “Corporate One”, First Floor, 5, Commercial Centre, Jasola, New Delhi – 110025, India

Telephone Nos. +91-11-46581300, 41697900; Fax No. +91-11-40638679

Email: isc@chambal.in; Website: www.chambalfertilisers.com

NOTICE

NOTICE is hereby given that the Fortieth Annual General Meeting of the members of Chambal Fertilisers and Chemicals Limited will be held at 10.30 A.M. Indian Standard Time on Tuesday, August 26, 2025, through video conferencing (“VC”)/ other audio visual means (“OAVM”), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a) the audited financial statements of the Company for the Financial Year ended March 31, 2025 and the reports of the Board of Directors and Auditor thereon; and
 - b) the audited consolidated financial statements of the Company for the Financial Year ended March 31, 2025 and the report of the Auditor thereon.
2. To declare final dividend on equity shares for the Financial Year ended March 31, 2025.
3. To appoint Mr. Shyam Sunder Bhartia (Director Identification Number: 00010484) as a Director, who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. To consider, and if thought fit, pass the following resolution as **Ordinary Resolution**:

“RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any modification(s) or re-enactment thereof, for the time being in force), the remuneration payable to M/s. K. G. Goyal & Associates, Cost Accountants (Firm Registration Number: 000024), appointed by the Board of Directors of the Company as Cost Auditor to conduct audit of the cost records of the Company, as applicable, for the Financial Year ending March 31, 2026, amounting to Rs. 1,45,000/- (Rupees One Lakh Forty Five Thousand Only) plus applicable taxes and reimbursement of out-of-pocket expenses incurred in connection with the aforesaid audit, be and is hereby approved and ratified.”
5. To consider, and if thought fit, pass the following resolution as **Ordinary Resolution**:

“RESOLVED THAT pursuant to Section 204 and other

applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any modification(s) or re-enactment thereof, for the time being in force), M/s. RMG & Associates (Firm Registration Number: P2001DE016100), be and is hereby appointed as Secretarial Auditor of the Company, to hold office for a term of 5 (five) consecutive years from the conclusion of the Fortieth Annual General Meeting, until conclusion of the Forty Fifth Annual General Meeting of the Company, at such remuneration as may be fixed by the Board of Directors of the Company from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any committee thereof) be and is hereby authorised to do and perform all such acts, deeds and things and take all such steps as may be necessary, expedient or incidental to give effect to this resolution.”

6. To consider, and if thought fit, pass the following resolution as **Ordinary Resolution**:

“RESOLVED THAT pursuant to Sections 152, 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any modification(s) or re-enactment thereof, for the time being in force) and any other provision of applicable laws or regulations and the Articles of Association of the Company and subject to such other approvals as may be necessary, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Abhay Bajjal (Director Identification Number: 01588087) as Managing Director of the Company, for the period of 3 (three) years with effect from July 21, 2025 i.e. upto July 20, 2028, not liable to retire by rotation, on such terms and conditions including remuneration, as set out in the statement pursuant to Section 102(1) of the Companies Act, 2013 annexed to the notice of this Annual General Meeting, with the authority to the Board of Directors of the Company to alter and vary the terms and conditions of the said appointment and/or remuneration, as it may deem fit.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to determine, from

time to time, such increments and performance bonus payable to Mr. Abhay Bajjal, Managing Director, as it may deem fit and proper, and to do and perform all such acts, deeds and things and take all such steps, as may be necessary, expedient or incidental to give effect to this resolution."

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

"RESOLVED THAT pursuant to Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any modification(s) or re-enactment thereof, for the time being in force), Mrs. Rita Menon (Director Identification Number: 00064714), who was appointed as Independent Director of the Company for a term upto September 09, 2025 and qualifies for being re-appointed as Independent Director of the Company, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing her as a candidate for the office of Director, be and is hereby re-appointed as Independent Director of the Company, to hold office for second term of 5 (five) consecutive years from September 10, 2025 to September 09, 2030, and not liable to retire by rotation."

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

"RESOLVED THAT pursuant to Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any modification(s) or re-enactment thereof, for the time being in force), Dr. Rakesh Jain (Director Identification Number: 00020425), who was appointed as Additional Director of the Company (designated as Independent Director) with effect from July 15, 2025 pursuant to the provisions of Section 161 of the Act and the Articles of Association of the Company and qualifies for being appointed as Independent Director of the Company, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing him as a candidate for the office of Director, be and is hereby appointed as Independent Director of the Company, to hold office for a term of 5 (five) consecutive years from July 15, 2025 to July 14, 2030, and not liable to retire by rotation."

By order of the Board of Directors



Tridib Barat

Vice President - Legal &
Company Secretary

New Delhi
July 18, 2025

NOTES:

1. Explanatory Statement

The statement pursuant to Section 102(1) of the Companies Act, 2013 ("Act"), relating to the item nos. 4 to 8 is given below and forms part hereof.

2. Details of director proposed to be re-appointed

Mr. Shyam Sunder Bhartia is retiring by rotation and, being eligible, offers himself for re-appointment, as a Director. The brief resume and other details of Mr. Shyam Sunder Bhartia are given below.

Mr. Shyam Sunder Bhartia, aged about 72 years, holds bachelor's degree in commerce from St. Xavier's College, University of Calcutta and is a fellow member of the Institute of Cost Accountants of India. A leading industrialist of India, he has rich industrial experience of over 46 years. He has been instrumental in developing strategic alliances and affiliations with leading global companies. The functional areas of expertise of Mr. Shyam Sunder Bhartia include pharmaceuticals & speciality chemicals, food, oil & gas and aerospace sectors.

Mr. Shyam Sunder Bhartia was associated with various institutions and has served as a member of the Board of Governors of Indian Institute of Technology (IIT), Mumbai and Indian Institute of Management (IIM), Ahmedabad. He has also served as member of the Executive Committee of Federation of Indian Chambers of Commerce and Industry (FICCI) and Confederation of Indian Industry (CII) and was also a member of the Task Force on Chemicals appointed by the Government of India.

Details of other Indian companies in which Mr. Shyam Sunder Bhartia is a Director, are as under:

| Sl. No. | Name of the Company |
|---------|--|
| 1. | Jubilant Bhartia Foundation |
| 2. | Jubilant Capital Private Limited |
| 3. | Jubilant Enpro Private Limited |
| 4. | Jubilant Foodworks Limited* |
| 5. | Jubilant Ingrevia Limited* |
| 6. | Jubilant Pharmova Limited* |
| 7. | SBS Trustee Company Private Limited |
| 8. | SBSSB Realty Trustee Company Private Limited |
| 9. | SPB Trustee Company Private Limited |
| 10. | SS Trustee Company Private Limited |
| 11. | SSBSB Realty Trustee Company Private Limited |
| 12. | SSP Trustee Company Private Limited |

*Listed entity

Further, details of positions held by Mr. Shyam Sunder Bhartia as chairperson/member of committees of board of directors of other Indian companies, are as under:

| Sl. No. | Name of the Company | Name of the Committee | Position held |
|---------|----------------------------|---|---------------|
| 1. | Jubilant Foodworks Limited | Nomination, Remuneration and Compensation Committee | Member |
| | | Investment Committee | Chairperson |
| | | Regulatory and Finance Committee | Chairperson |
| 2. | Jubilant Ingrevia Limited | Nomination, Remuneration and Compensation Committee | Member |
| | | Finance Committee | Chairperson |
| 3. | Jubilant Pharmova Limited | Nomination, Remuneration & Compensation Committee | Member |
| | | Reorganisation Committee | Chairperson |
| | | Fund Raising Committee | Chairperson |
| | | Capital Issue Committee | Chairperson |
| | | Finance Committee | Chairperson |

Mr. Shyam Sunder Bhartia has not resigned from directorship of any listed entity in the past three years.

If re-appointed, Mr. Shyam Sunder Bhartia shall be liable to retire by rotation. Mr. Shyam Sunder Bhartia does not hold any equity shares in the Company and he is not a relative (as defined under the Act and Rules thereunder) of any Director or Key Managerial Personnel of the Company. He was first appointed on the Board of Directors of the Company with effect from February 13, 1995. He has attended all the 4 (four) meetings of the Board of Directors of the Company held during the Financial Year 2024-25.

The Non-Executive Directors of the Company are entitled to receive sitting fee for attending the meetings of the Board of Directors and Committees thereof and payment by way of commission within the limits approved by the members of the Company. The Company has not paid any sitting fee or commission to Mr. Shyam Sunder Bhartia during the Financial Year 2024-25 as he had opted not to draw sitting fee and commission from the Company. Mr. Shyam Sunder Bhartia has opted to draw sitting fee for attending meetings of Board of Directors and Committees thereof, and annual commission on profit w.e.f. April 1, 2025. Accordingly, commission of Rs. 17,50,000/- is payable to him for the Financial Year 2024-25.

3. Conducting Annual General Meeting through video conferencing or other audio visual means and dispatch of documents

3.1 The Ministry of Corporate Affairs, Government of India vide General Circular no. 09/2024 dated

September 19, 2024 read with General Circular No. 09/2023 dated September 25, 2023, General Circular no. 10/2022 dated December 28, 2022, General Circular no. 2/2022 dated May 05, 2022, General Circular no. 02/2021 dated January 13, 2021, General Circular no. 20/2020 dated May 05, 2020, General Circular no. 17/2020 dated April 13, 2020 and General Circular no. 14/2020 dated April 08, 2020 (hereinafter collectively referred to as "MCA Circulars") has allowed the companies whose annual general meeting is due in the year 2024 or 2025 to conduct annual general meeting through video conferencing ("VC") or other audio visual means ("OAVM") till September 30, 2025. In pursuance of the applicable provisions of the Act read with MCA Circulars, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 read with Master Circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, on compliance with the provisions of Listing Regulations issued by the Securities and Exchange Board of India (hereinafter collectively referred to as "SEBI Circulars"), the Fortieth Annual General Meeting of the Company ("AGM") is being convened and conducted through VC / OAVM, which does not require physical presence of members at a common venue. The venue of AGM shall be deemed to be the Registered Office of the Company at Gadepan, District Kota, Rajasthan, PIN - 325208.

3.2 In pursuance of the MCA Circulars and the SEBI Circulars, notice of AGM and the Annual Report of the Company for the Financial Year 2024-25 ("Annual Report 2024-25") comprising audited financial statements for the Financial Year 2024-25, Auditor's Reports, Board's Report and all other documents required to be attached thereto and Business Responsibility and Sustainability Report are being sent through email only to those members whose email address are registered with the Company or the depositories/ depository participants. These documents will also be available on the website of the Company at www.chambalfertilisers.com, 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 and the website of National Securities Depository Limited ("NSDL") at www.evoting.nsdl.com.

3.3 As per the provisions of Section 105 of the Act, a member entitled to attend and vote at AGM is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. Since the AGM is being held through VC/ OAVM and physical attendance of members has been dispensed with, the facility for appointment of

proxy by the members will not be available for the AGM. Accordingly, the Proxy Form, Attendance Slip and Route Map are not enclosed herewith.

- 3.4 Attendance of the members in the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- 3.5 The documents referred to in this notice of AGM shall be available for inspection electronically by the members upto the date of AGM. Members seeking to inspect such documents may send an email to the Company at isc@chambal.in.
- 3.6 The registers maintained under Sections 170 and 189 of the Act and the certificate from Secretarial Auditor of the Company in terms of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, regarding implementation of 'CFCL Employees Stock Option Scheme 2010', shall be available for inspection electronically by the members during the AGM. Members seeking to inspect such documents may send an email to the Company at isc@chambal.in.
- 3.7 The special business under item nos. 4, 5, 6, 7 and 8 of the notice of AGM, to be transacted at the AGM, is considered unavoidable by the Board of Directors of the Company.

4. E-voting Facility

- 4.1 Company is providing to its members, facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means ("e-Voting") and the business set out in the notice of AGM may be transacted through e-Voting. The Company has engaged NSDL to provide the facility of remote e-Voting to the members, and the facility of e-Voting to the members participating in the AGM through VC/OAVM.
- 4.2 The remote e-Voting period shall commence at **09:00 A.M. Indian Standard Time ("IST") on Friday, August 22, 2025**, and end at **05:00 P.M. IST on Monday, August 25, 2025**. At the end of the remote e-Voting period, the remote e-Voting facility shall be blocked by NSDL forthwith. The remote e-Voting shall not be allowed after 05:00 P.M. IST on Monday, August 25, 2025.
- 4.3 In pursuance of Sections 112 and 113 of the Act, representatives of the members may be appointed for the purpose of voting through remote e-Voting and participation and voting in the AGM.

Corporate / Institutional members (i.e. other than individuals, HUF, etc.) are required to send a scanned copy (PDF/JPG format) of the relevant Board

Resolution / Authority Letter / Power of Attorney, etc. to the Scrutiniser by e-mail at scrutinizer@chambal.in, with a copy marked to evoting@nsdl.com. Corporate/ Institutional members may also upload their Board Resolution / Authority Letter/ Power of Attorney, etc. by clicking on **"Upload Board Resolution / Authority Letter"** displayed under **"e-Voting"** tab in their login.

- 4.4 Members who have cast their vote by remote e-Voting, can attend/participate in the AGM through VC/OAVM, but they shall not be entitled to cast their vote again.
- 4.5 The facility of e-Voting shall also be made available to the members participating in the AGM through VC/OAVM. Only those members, who are attending the AGM through VC / OAVM facility, and have not cast their vote through remote e-Voting, shall be allowed to vote through e-Voting at the AGM.

5. Process and manner of remote e-Voting, attending AGM through VC/OAVM and e-Voting at AGM

Pursuant to Securities and Exchange Board of India's ("SEBI") Master Circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 with respect to "e-Voting facility provided by listed entities", individual shareholders holding equity shares of the Company in dematerialised form can cast their vote, by way of single login credential, through their demat accounts and website of Depositories/Depository Participants.

Members are advised to update their mobile number and E-mail Id in their demat accounts in order to access e-Voting facility.

The process and manner of remote e-Voting, attending AGM through VC / OAVM and e-Voting at AGM are as under:

A) Procedure to login for individual shareholders holding shares in demat mode

I) Procedure to login through website of Depositories

a) Individual shareholders holding shares in demat mode with National Securities Depository Limited ("NSDL")

- i) For OTP based login you can click on <https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp>. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN, Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or **e-Voting service provider i.e. NSDL** and you will

be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining AGM and voting during AGM.

- ii) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the URL: <https://eservices.nsdl.com/> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. Enter your User Id, Password and Verification Code as shown on the screen. After successful authentication, you will be able to see e-Voting services under “Value Added Services”. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against Company name or **e-voting Service Providers - NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining AGM and voting during AGM.

If the user is not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com>. Select “Register online for IDeAS Portal” or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp> to register for IDeAS e-Services.

- iii) Shareholders may directly access the e-Voting module of NSDL also. To directly access the e-Voting module, open web browser by typing the URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member/Creditor’ section. A new screen will open. You will have to enter your User Id (i.e. 8 Character DP ID followed by 8 Digit Client ID of demat account held with NSDL), Password/OTP (One Time Password) and a Verification Code as shown on the screen.

After successful authentication, you will be redirected to NSDL IDeAS portal wherein you will see e-Voting page. Click on options available against Company name or e-voting Service Providers - NSDL and you will be redirected to e-Voting website of NSDL to cast your vote during the remote e-Voting period or joining AGM and voting during AGM.

- iv) Shareholders can also download the NSDL Mobile Application i.e. “NSDL Speede” for seamless voting experience.

b) Individual shareholders holding shares in demat mode with Central Depository Services (India) Limited (“CDSL”)

- i) Users who have opted for CDSL Easi / Easiest facility, can login using their existing username and password. Option will be made available to reach e-Voting page without any further authentication. Users to login through Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon and My Easi Tab and then use your existing My Easi username and password.

After successful login through Easi/Easiest, user will also be able to see the e-Voting option when the e-Voting is in progress. On clicking the E-voting option, the user will be able to see e-Voting page of all the e-voting service providers. Click on NSDL to cast your vote during the remote e-Voting period or joining AGM and voting during AGM. Additionally, links are also provided to access the system of all e-voting service providers, so that the user can visit the e-voting service provider’s website directly.

If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login and My Easi Tab and then click on registration option.

- ii) Alternatively, the user can directly access e-Voting page by providing demat account number and Permanent Account Number (“PAN”) from “E Voting” link available on home page of www.cdslindia.com. The system will authenticate the user by sending OTP on registered Mobile Number and Email ID as recorded in the demat account.

After successful authentication, user will be able to see the e-Voting option during the remote e-Voting period or joining AGM and voting during AGM and will also be able to directly access the system of all e-voting service providers. Click on NSDL to cast your vote during the remote e-Voting period or joining AGM and voting during AGM.

II) Procedure to login through Depository Participant

- Shareholders can also login using the login credentials of their demat account through their depository participant registered with NSDL/CDSL for e-Voting facility.
- Upon log-in, shareholder will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL depository site and after successful authentication, you can see e-Voting option.
- Click on options available against Company name or **e-voting Service Providers-NSDL** and you will be redirected to e-Voting website of NSDL to cast your vote during the remote e-Voting period or joining AGM and voting during AGM.

III) Help-desk for individual shareholders holding shares in demat mode

Individual shareholders holding shares in demat mode who need assistance for any technical issue(s) related to login through depository i.e. NSDL or CDSL, may reach out to the following helpdesk:

| Login type | Helpdesk details |
|--|--|
| Individual shareholders holding shares in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at +91 22 4886 7000 |
| Individual Shareholders holding shares in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33 |

Important note: Members who are unable to retrieve User ID/Password are advised to use Forgot User ID/Forgot Password option available in abovementioned websites.

B) Procedure to login for shareholders (other than individual shareholders) who are holding shares in demat mode and shareholders who are holding shares in physical mode

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is

available under "Shareholder/ Member/Creditor" section.

- A new screen will open. You will have to enter your User Id and Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-Services i.e. IDeAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDeAS login. Once you log-in to NSDL e-Services after using your log-in credentials, you will be able to see e-Voting services under Value Added Services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against Company name or **e-voting Service Providers- NSDL** and you will be re-directed to NSDL e-Voting website to cast your vote during the remote e-Voting period or joining AGM and voting during AGM.

- The User Id details are given below:

| Manner of holding shares | User Id |
|--|---|
| (i) For members who hold shares in demat account with NSDL | 8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your User Id is IN300***12***** |
| (ii) For members who hold shares of the Company in demat account with CDSL | 16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your User Id is 12***** |
| (iii) For members holding shares in Physical Form | EVEN (E-Voting Event Number) of the Company followed by Folio Number registered with the Company. For example, if Folio Number is E001**** and EVEN is 101456 then User Id is 101456E001**** |

- Password details are given below:

- If you are already registered with NSDL for e-Voting, then you can use your existing password to login and cast vote.
- If you are using NSDL e-Voting system for the first time, you need to retrieve the 'Initial Password' in the following manner:

- i. Shareholders whose e-mail address is registered with the Company/depository participants, will receive an e-mail alongwith a PDF file attached therewith. The shareholder should open the PDF file attached with the e-mail. The said PDF file contains User Id and password of the shareholder for e-Voting. The password to open the PDF file is shareholder's 8 Digit Client ID for NSDL account, last 8 Digit of Client ID for CDSL account and folio number for shares held in physical form.
 - ii. If email address of a shareholder is not registered with the Company/depository participant, then the shareholder may follow the steps mentioned in Note no. 6 below to obtain the password details.
- vi) If you are unable to retrieve or have not received the "Initial Password" or have forgotten your password:
- a) Click on **"Forgot User Details/Password?"** option (if you are holding shares in your demat account with NSDL or CDSL) and click on **"Physical User Reset Password?"** option (if you are holding shares in physical mode). These options are available under "Shareholder/ Member/ Creditor" section on www.evoting.nsdl.com.
 - b) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - c) Members can also use OTP based login to cast vote on the e-Voting system of NSDL.
- vii) After entering your password, tick on agree to all "Terms and Conditions" by selecting on the check box.
- viii) Now, you will have to click on "Login" button and thereafter, home page of e-Voting will open.

C) Procedure to cast vote through Remote e-Voting

After successful login by following the procedure mentioned above, the below mentioned steps may be followed to cast vote through remote e-Voting:

- i) Select "EVEN" of Chambal Fertilisers and Chemicals Limited during the remote e-Voting period. Now, you are ready for remote e-Voting as the voting page opens.

- ii) Cast your vote by selecting appropriate option i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote, and click on "Submit" and also "Confirm" when prompted.
- iii) Upon confirmation, the message "Vote cast successfully" will be displayed.
- iv) You can similarly vote in respect of all the items forming part of the notice of AGM.

Shareholder can login any number of times during the remote e-Voting period, till he/she has voted on all the resolutions.
- v) You can also take print of the votes cast by clicking on the print option on the confirmation page.
- vi) Once the vote on a resolution is cast, shareholder shall not be allowed to change it subsequently or cast vote again.

D) Procedure for attending the AGM through VC / OAVM and e-Voting at AGM

- i) Members can join the AGM through VC/OAVM by following the procedure for login mentioned above in this Note no. 5. After successful login, a member can see "VC/OAVM" link placed under **"Join Meeting"** menu against Company name. For joining the meeting, the member needs to click on "VC/OAVM" link placed under **"Join Meeting"** menu. The facility to join the AGM through VC/OAVM shall be opened thirty minutes before the scheduled time of the AGM and shall be kept open throughout the proceedings of the AGM.
- ii) Members may use the same procedure for e-Voting during AGM as mentioned above, for remote e-Voting.
- iii) Members are encouraged to join the meeting using a laptop, for better experience. Further, members will be required to use internet with good bandwidth/speed to avoid any disturbance during the AGM.
- iv) Members can submit queries/questions in advance with regard to the financial statements or any other matter forming part of agenda of the AGM, through email at isc@chambal.in from their registered email address, mentioning their Name, DP ID and Client ID/ Folio Number, PAN and mobile number, atleast 48 hours before the scheduled time of the commencement of AGM and such questions / queries shall be replied depending upon the availability of time at the AGM.

- v) Members who wish to ask questions at the AGM with regard to the financial statements or any other matter forming part of agenda of the AGM, may register themselves as speaker by sending their request from their registered email address mentioning their Name, DP ID and Client ID/ Folio Number, PAN and mobile number at isc@chambal.in, atleast 48 hours before the scheduled time of commencement of AGM. Only those Members who have registered themselves as speaker, will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending upon the availability of time.

6. Procedure to procure User Id and password for participation in AGM through VC/OAVM and e-Voting, for those Members whose e-mail address are not registered with the Company or depository/ depository participant

A member whose email address is not registered with the Company or depository/ depository participant and who wishes to receive through email, User Id and password to participate in the AGM through VC / OAVM and vote through e-Voting system in the AGM or through remote e-Voting, may follow the procedure mentioned below:

- (i) In case shares of the Company are held by a member in physical form, the member should submit scanned copy of a signed request letter mentioning his/ her/ its email address, name, folio number and complete address along with self-attested copies of PAN Card and AADHAAR Card by email to isc@chambal.in or send these documents to the Share Transfer Agent of the Company; and
- (ii) In case shares of the Company are held by a member in dematerialized form, such member should submit scanned copy of a signed request letter mentioning his/ her / its email address, name, DP ID and Client ID (16 digit DP ID + Client ID or 16 digit Beneficiary ID) along with self-attested scanned copies of Client Master List or Consolidated Demat Account statement, PAN Card and AADHAAR Card through email to isc@chambal.in or evoting@nsdl.com or send these documents to the Share Transfer Agent of the Company.

7. Entitlement for e-Voting

- 7.1 Any person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories (in case shares held in dematerialised form) as on the cut-off date i.e. **August 19, 2025**, shall be entitled to avail the facility of remote e-Voting as well as vote in the AGM through e-Voting system.

A person who is not a member as on the cut-off date, should treat this notice of AGM for information purposes only.

The voting right of the shareholder shall be reckoned in proportion to his/her shares in the total paid-up equity share capital of the Company as on the cut-off date i.e. **August 19, 2025**.

- 7.2 A person who becomes a member of the Company after dispatch of the notice of AGM and holding shares as on the cut-off date i.e. **August 19, 2025**, may obtain the User Id and password by sending a request at evoting@nsdl.com or isc@chambal.in.

However, if such member is already registered for e-Voting, then such member may follow the process and manner of remote e-Voting, attending AGM through VC / OAVM and e-Voting at AGM given in Note No. 5 above.

8. Contact details for queries / grievances

In case of any query, members may refer the Frequently Asked Questions (FAQs) (for Shareholders) on the e-Voting System of NSDL and User Manual on e-Voting System for Shareholders, available under the download section of www.evoting.nsdl.com or call at +91 22 - 48867000.

In case of any queries/grievances connected with remote e-Voting or e-Voting in the AGM or if the members need any assistance before or during the AGM, they may contact Ms. Pallavi Mhatre, Senior Manager, NSDL at the designated email IDs: evoting@nsdl.com or pallavid@nsdl.com (call at +91 22 - 48867000) or Mr. Shyamal Kumar Choudhury, Deputy Manager - Secretarial at the Corporate Office of the Company at "Corporate One", First Floor, 5, Commercial Centre, Jasola, New Delhi – 110 025, Telephone No. +91 11-41697900/ +91 11-46581300, Fax: +91 11-40638679, E-mail: isc@chambal.in.

9. Declaration of voting results

9.1 Board of Directors of the Company has appointed Mr. Manish Gupta, Managing Partner, RMG & Associates, Company Secretaries in whole time practice (Membership No. FCS - 5123 and Certificate of Practice No. 4095) and in his absence Mr. Sachin Khurana, Partner, RMG & Associates, Company Secretaries in whole time practice (Membership No. FCS - 10098 and Certificate of Practice No. 13212) to scrutinise the remote e-Voting process and voting in the AGM in a fair and transparent manner.

9.2 After completion of scrutiny of the votes cast at the AGM and the votes cast through remote e-Voting, the Scrutiniser shall make, within 2 working days from the conclusion of the AGM, a consolidated scrutiniser's

report and submit the same to the Chairman of AGM or any other person authorized by him in writing, who shall countersign the same and declare the results of the voting forthwith. The results declared alongwith scrutiniser's report shall be placed on the Company's website www.chambalfertilisers.com and NSDL website: www.evoting.nsdl.com, immediately after the results are declared.

10. Payment of Dividend

The Board of Directors, at its meeting held on May 8, 2025, has recommended a final dividend of Rs. 5 per equity share of Rs. 10 each of the Company (i.e. @ 50%), for the Financial Year ended March 31, 2025. The final dividend on equity shares for the Financial Year ended March 31, 2025, if declared at the AGM, will be paid subject to deduction of tax at source.

11. Record Date

Members may please note that Tuesday, August 5, 2025 has been fixed as the Record Date for determining the eligibility for payment of final dividend on equity shares, if declared at the AGM.

12. Tax on Dividend

Members may note that the Income Tax Act, 1961, ("the IT Act") mandates that dividend paid or distributed by a company shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source at the time of making the payment of final dividend to the members. Members are requested to refer to the IT Act for the prescribed rates of tax deduction at source for various categories.

The rates of tax deduction at source shall be based on the residential status of the member, category of member, status of PAN-AADHAAR linking and the documents/declarations submitted to the Company in accordance with the provisions of the IT Act. Accordingly, members are requested to update the PAN, residential status, and other details in their respective demat accounts with their depositories, if the shareholding is in demat form or with the Company's Share Transfer Agent i.e. Zuari Finserv Limited, if the shareholding is in physical form.

The other relevant provisions under the IT Act for Resident and Non-Resident shareholders are as follows:

I. Resident Shareholders

In case of Resident shareholders, tax shall be deducted at source as per the rates specified in Section 194 of the IT Act.

No tax shall be deducted on dividend paid to resident individual shareholders if total dividend amount during the Financial Year 2025-26 is less than Rs. 10,000 or if the shareholder furnishes declaration in Form No. 15G/15H to avail the benefit of

non-deduction of tax at source by e-mail to isc@chambal.in on or before **Monday, August 4, 2025**.

In case a shareholder does not provide valid PAN or has not linked AADHAAR with PAN as per the provisions of Section 139AA of the IT Act, tax shall be deducted at the higher rate as per the provisions of Section 206AA of the IT Act.

II. Non-Resident Shareholders

In respect of dividend to be paid to Non-Resident Shareholders, tax is required to be withheld in accordance with the provisions of the IT Act at the 'rates in force' for all non-resident shareholders except where payments are covered specifically under other provisions of the IT Act.

A non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the shareholder, if they are more beneficial to the shareholder, subject to providing necessary documents, i.e., No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, e-filed Form 10F and any other document which may be required to avail the tax treaty benefits for FY 2025-26. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non-Resident shareholder.

Members holding shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax rate as applicable to the status in which shares held under the PAN will be considered on their entire holding in different accounts.

In order to enable the Company to determine the appropriate rate of tax deduction/ withholding, the members are requested to provide the requisite details and documents on or before **Monday, August 4, 2025**. Members are requested to send all the above-mentioned documents and any other correspondence, in this regard by email to isc@chambal.in or to the Share Transfer Agent of the Company. Members may send an email to the Company at isc@chambal.in for any clarification in this regard.

13. Updation of details of shareholders

13.1 As per Master Circular for Registrar to an Issue and Share Transfer Agents dated June 23, 2025 issued by SEBI, it is mandatory for all holders of physical shares in the Company to furnish PAN, contact details (postal address with PIN and mobile number), bank account details and specimen signature for their corresponding folio number(s) of physical securities.

The concerned members holding shares of the Company in physical form, are required to submit following forms duly completed in all respects, to the Company or its Share Transfer Agent ("STA"), for registration/updation of their details:

| Description | Form |
|--|--|
| Registration / updation of PAN, Contact details (postal address with PIN, Mobile number & Email) and Bank details | Form ISR-1 |
| Registration/Updation of signature(s) of shareholder(s) | Form ISR-1, Form ISR-2 (As applicable) |
| Nomination as provided in Rule 19 (1) of Companies (Share Capital and Debentures) Rules, 2014 | Form SH-13 |
| Change of Nomination | Form SH-14 |
| Declaration to Opt-out from Nomination | Form ISR-3 |
| Cancellation of Nomination | Form SH-14 alongwith Form ISR-3 |
| The abovementioned forms are available on the website of the Company at www.chambalfertilisers.com under the section "Investors" | |

In case any of the aforesaid documents / details (except nomination which is optional) are not available in the records of the Company / STA, the member shall not be eligible to lodge grievance or avail any service request from the STA until they furnish KYC details / documents. Further, with effect from April 01, 2024, any payment including dividend shall only be made in electronic mode to members.

13.2 Members holding shares in demat mode may register / update their email address and/ or bank account details through their depository participant.

14. Unclaimed Dividend

Members may kindly note that the Company is required to transfer the dividends, which remain unclaimed / unpaid for a period of seven years, to the Investor Education and Protection Fund ("IEPF") constituted by the Government of India. During the Financial Year 2024-25, the Company has transferred unclaimed / unpaid dividend for the Financial Year 2016-17 to IEPF.

The Company has uploaded the details of unpaid / unclaimed dividend lying with the Company, on the website of the Company (www.chambalfertilisers.com). Members are requested to claim their unpaid / unclaimed dividend pertaining to the Financial Year 2017-18 and

subsequent dividends declared by the Company, by making an application along with requisite documents to the Company's Share Transfer Agent, for payment before the same becoming due for transfer to IEPF.

15. Transfer of shares to IEPF

Members may kindly note that pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ("IEPF Rules"), all shares in respect of which dividend has remained unclaimed/unpaid for seven consecutive years or more shall be transferred by the Company to the demat account of Investor Education and Protection Fund Authority ("IEPF Authority"). During the Financial Year ended March 31, 2025, the Company has transferred 3,27,554 equity shares to the demat account of IEPF Authority in respect of which dividend has remained unpaid/unclaimed for the last seven consecutive years. As on March 31, 2025, 62,72,165 equity shares of the Company were lying in the Demat Account of IEPF Authority.

Members, whose unclaimed dividend and / or shares have been transferred to IEPF/ IEPF Authority, may claim the dividend and / or shares, as the case may be, from IEPF/ IEPF Authority by submitting an application in Form No. IEPF-5 available on www.iepf.gov.in and following the procedure mentioned at the said website and in the IEPF Rules.

In pursuance of the IEPF Rules, the Company has communicated individually to the concerned shareholders whose shares are liable to be transferred to IEPF during the Financial Year 2025-26. The Company has also uploaded details of such shareholders and shares due for transfer to IEPF on its website at www.chambalfertilisers.com under the section "Investors".

16. Share Transfer Agent

Zuari Finserv Limited is the Share Transfer Agent of the Company. All investor related communication(s) may be addressed to:

Zuari Finserv Limited
Plot No. 2, Zamrudpur Community Centre,
Kailash Colony Extension,
New Delhi -110 048
Tel: +91-11-46474000
E-mail: rta@adventz.zuarimoney.com

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

Item No. 4

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment of M/s. K. G. Goyal & Associates, Cost Accountants, for conducting audit of the cost records of the Company, as applicable, for the Financial Year ending March 31, 2026, at a fee of Rs. 1,45,000 plus applicable taxes and reimbursement of out-of-pocket expenses.

Pursuant to Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to M/s. K. G. Goyal & Associates, Cost Accountants is required to be ratified by the shareholders of the Company. Accordingly, consent of the members is being sought for approval/ratification of the remuneration payable to M/s. K. G. Goyal & Associates, Cost Accountants, for conducting audit of the cost records of the Company, as applicable, for the Financial Year ending March 31, 2026.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommend the resolution set out at Item No. 4 of the Notice for approval of members.

Item No. 5

Pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (Listing Regulations), every listed entity shall undertake Secretarial Audit by a Secretarial Auditor who shall be a Peer Reviewed Company Secretary and shall annex a Secretarial Audit Report in such form as specified, with the annual report of the listed entity and the company can appoint or re-appoint a Secretarial Audit firm as Secretarial Auditor for not more than two terms of five consecutive years, with the approval of its shareholders in its Annual General Meeting.

The Board of Directors at its meeting held on May 8, 2025, in terms of the provisions of Section 204 of the Companies Act, 2013 (Act) read with the Listing Regulations, recommended for approval of the members of the Company, appointment of M/s. RMG & Associates, Practicing Company Secretaries (Firm Registration No.- P2001DE016100) [RMG] as Secretarial Auditor of the Company, to hold office for 5 (five) consecutive years from the conclusion of this Fortieth Annual General Meeting, until the conclusion of the Forty Fifth Annual General Meeting to be held in the calendar year 2030.

RMG is a firm of Practicing Company Secretaries registered with the Institute of Company Secretaries of India (ICSI). The firm was established in the year 2001. The registered office of the firm is situated in New Delhi and it has a branch office in Gurugram. The firm has experience of more than 24 years in dealing with Corporate Secretarial, Foreign Exchange Laws, Corporate Advisory, Regulatory Issues and other allied & legal matters.

RMG has accorded its consent to the aforesaid proposed appointment, and confirmed that their appointment, if made, shall be within the limits laid down by/under the Listing Regulations and guidelines issued by ICSI in this regard. They have also confirmed that they hold a valid peer review certificate issued by the ICSI and are eligible for appointment as Secretarial Auditor and not disqualified for the proposed appointment, under the Act read with the rules made thereunder, Listing Regulations and applicable SEBI circulars.

It is proposed to pay fee of Rs. 1,50,000 (Rupees One Lakh Fifty Thousand) plus applicable taxes and reimbursement of out-of-pocket expenses to RMG for the Financial Year 2025-26, for conducting secretarial audit of the Company. The remuneration of RMG for the remaining period of their term shall be fixed by the Board of Directors from time to time.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommend the resolution set out at Item No. 5 of the Notice for approval of members.

Item No. 6

The members of the Company, at their Annual General Meeting held on September 12, 2023, approved the appointment of Mr. Abhay Bajjal as Managing Director of the Company for a period of 2 (two) years w.e.f. July 21, 2023 i.e. upto July 20, 2025. Keeping in view the good performance of the Company during the tenure of Mr. Abhay Bajjal as Managing Director and his contribution therefor, and considering his vast experience and knowledge of the fertiliser industry, the Board of Directors at its meeting held on February 6, 2025, upon the recommendation of Nomination and Remuneration Committee and exercising the powers vested in it in terms of the Articles of Association of the Company and Section 196(4) and other relevant provisions of the Companies Act, 2013 (Act), re-appointed Mr. Abhay Bajjal as Managing Director of the Company for a period of 3 (three) years w.e.f. July 21, 2025 i.e. upto July 20, 2028, not liable to retire by rotation, subject to the approval of the members of the Company. The Company has received notice in writing from a member under Section 160 of the Act, proposing the candidature of Mr. Abhay Bajjal for the office of Director.

Mr. Abhay Bajjal, aged about 64 years, holds bachelor's degree in mechanical engineering from Delhi College of Engineering and post graduate diploma in management (specialization in Finance & Marketing) from Indian Institute of Management (IIM), Kolkata. Mr. Abhay Bajjal joined the Company in the year 2003 and retired as Chief Financial Officer on January 31, 2023. His functional expertise is in finance, accounts, business restructuring and project financing domains. Mr. Abhay Bajjal was instrumental in the growth trajectory of the Company, and in particular, setting up the Gadepan - III plant.

The key terms and conditions of appointment including remuneration payable to Mr. Abhay Bajjal are as under:

- 1) Tenure of re-appointment: From July 21, 2025 to July 20, 2028.
- 2) Salary & Allowances:
 - (i) Basic salary of Rs.10,10,000 (Rupees Ten Lakhs and Ten Thousands Only) per month in the range of Rs. 9,00,000 to Rs. 15,00,000 per month;

- (ii) Special allowance of Rs. 1,47,500 (Rupees One Lakh Forty Seven Thousands and Five Hundreds Only) per month in the range of Rs. 1,47,500 to Rs. 3,00,000 per month;
- (iii) Increments as may be determined by the Board of Directors from time to time;
- (iv) The Company shall provide fully furnished accommodation or house rent allowance equivalent to 60% of the basic salary; and
- (v) Performance bonus as may be determined by the Board of Directors from time to time; provided that the maximum performance bonus paid / payable in respect of a financial year shall not exceed an amount equivalent to 15 months' basic salary (as per the last drawn basic salary).

3) Perquisites and other Benefits:

- (i) Company provided and maintained one air conditioned car with driver or vehicle allowance of Rs. 2,00,000 (Rupees Two Lakhs Only) per month in lieu thereof;
- (ii) Reimbursement of medical expenses for self, wife and dependent children on actual basis;
- (iii) Telephone alongwith internet facility at residence and mobile phone, at the Company's expense;
- (iv) Group health insurance cover for self and dependent family members and life insurance cover, as per the policy of the Company;
- (v) Leave travel assistance as applicable to the senior management employees as per policy of the Company; and
- (vi) In addition to the above, all other benefits such as gratuity, employer's contribution to provident fund and superannuation fund / national pension system or superannuation allowance in lieu thereof, club fee (not more than two clubs), paid leaves and encashment of unavailed leaves, etc. as applicable to the senior management employees as per the policy of the Company, shall be applicable and allowed to Mr. Abhay Baijal, Managing Director.

- 4) The payment of remuneration to Mr. Abhay Baijal, Managing Director shall be within the overall limits prescribed under Section 197 of the Act.
- 5) If Mr. Abhay Baijal ceases to hold office of Managing Director due to any reason whatsoever, he shall immediately cease to be a Director of the Company.

The Company has entered into an Employment Agreement dated February 6, 2025 (Employment Agreement) with Mr. Abhay Baijal containing the terms and conditions of his

re-appointment including remuneration. Either of the parties to the Employment Agreement may terminate the Employment Agreement by giving the other party ninety days' notice.

The Company has not defaulted in the payment of dues to any bank or public financial institution or non-convertible debenture holders, or any other secured creditor.

The Company has received in writing from Mr. Abhay Baijal (i) consent to act as Director of the Company; (ii) intimation to the effect that he is not disqualified from being appointed as Director in terms of Section 164 of the Act; and (iii) confirmation in terms of provisions of Section 196(3) and Schedule V to the Act.

Mr. Abhay Baijal is Director of Chambal Infrastructure Ventures Limited, a wholly owned subsidiary of the Company and The Fertiliser Association of India. Mr. Abhay Baijal is not a Director of any listed entity other than the Company. Mr. Abhay Baijal has not resigned from the directorship of any listed entity in the past three years. Mr. Abhay Baijal is a member of Banking and Finance Committee, Corporate Social Responsibility Committee, Project Monitoring Committee, Risk Management Committee, Stakeholders Relationship Committee and Strategy Committee of the Board of Directors of the Company.

Mr. Abhay Baijal does not hold any equity shares in the Company and he is not a relative (as defined under the Act and Rules thereunder) of any Director or Key Managerial Personnel of the Company. He has attended all the 4 (four) meetings of the Board of Directors of the Company held during the Financial Year 2024-25.

Details of remuneration paid to Mr. Abhay Baijal during the Financial Year 2024-25 are as under:

(Amount in Rs.)

| Salary | Perquisites | Performance Bonus | Others - Retirement Benefits and Other Perquisites | Total |
|-------------|-------------|-------------------|--|-------------|
| 2,31,02,235 | 2,50,000 | 55,00,000 | 14,33,102 | 3,02,85,337 |

The Employment Agreement, Articles of Association of the Company and other documents referred above shall be available for inspection electronically by members upto the date of Annual General Meeting. Members seeking inspection of these documents may send an email to the Company at isc@chambal.in.

Save and except Mr. Abhay Baijal and his relatives, none of the Directors, Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommend the resolution set out at Item No.6 of the Notice for approval of members.

Item No. 7

In pursuance of Sections 149 and 152 of the Companies Act, 2013 (Act) read with Schedule IV to the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), Mrs. Rita Menon was appointed as Independent Director of the Company for a term of 5 (five) consecutive years w.e.f. September 10, 2020 upto September 09, 2025.

As per provisions of Section 149 of the Act, Mrs. Rita Menon is eligible for re-appointment as Independent Director for second term of upto 5 (five) consecutive years on passing a special resolution and disclosure of such appointment in the Board's report.

The Board of Directors, on the recommendation of Nomination and Remuneration Committee (NRC) and considering other relevant factors, has recommended to the shareholders of the Company to approve the re-appointment of Mrs. Rita Menon for second term of 5 (five) consecutive years w.e.f. September 10, 2025 until September 09, 2030.

Mrs. Rita Menon, aged about 73 years, is M.A (Economics) from Delhi School of Economics. She joined the Indian Administrative Service in the year 1975 and held a number of senior positions in the Government of India and the Government of Uttar Pradesh. She retired in the year 2015 from the position of Chairperson and Managing Director of India Trade Promotion Organisation. In her career in public service, she had worked in various departments / ministries of Government of India such as Secretary in Ministry of Textiles, Additional Secretary and Special Secretary in Ministry of Finance, Joint Secretary in Ministry of Defence, etc. She was also Director of various public sector undertakings. Mrs. Rita Menon has vast experience in the areas of industrial development, town planning, finance, health, defence planning and procurement, public policy & administration, etc.

Mrs. Rita Menon volunteers for few not-for-profit organizations like All India Women's Education Fund Association, Association of Independent Directors of India and Music Concepts India. She has also served as the President of the Governing body of Lady Irwin College, University of Delhi.

The Company has received the following confirmations from Mrs. Rita Menon - (i) consent to act as Director; (ii) she is not disqualified from being appointed as Director in terms of Section 164 of the Act; (iii) declaration that she meets the criteria of independence as specified under Section 149 of the Act and the Listing Regulations; and (iv) confirmation that she has not been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority. The Company has received notice in writing from a member under Section 160 of the Act, proposing the candidature of Mrs. Rita Menon for the office of Director.

Details of other Indian companies in which Mrs. Rita Menon is a Director, are as under:

| Sl. No. | Name of the Company |
|---------|--------------------------------------|
| 1. | M D Menon Consulting Private Limited |
| 2. | Paradeep Phosphates Limited* |

*Listed entity

Details of positions held by Mrs. Rita Menon as chairperson/ member of committees of board of directors of other Indian companies, are as under:

| Sl. No. | Name of the Company | Name of the Committee | Position held |
|---------|-----------------------------|---|---------------|
| 1. | Paradeep Phosphates Limited | Nomination and Remuneration Committee | Member |
| | | Stakeholders Relationship Committee | Member |
| | | Corporate Social Responsibility Committee | Member |
| | | Finance Committee | Member |
| | | Audit Committee | Member |

Mrs. Rita Menon has not resigned from directorship of any listed entity in the past three years. However, she ceased to be director of one listed entity, namely, Mangalore Chemicals & Fertilizers Limited, upon retirement. She does not hold any equity shares in the Company, and she is not a relative (as defined under the Act and Rules thereunder) of any Director or Key Managerial Personnel of the Company. Mrs. Rita Menon shall not be liable to retire by rotation. She has attended all 4 (four) meetings of the Board of Directors of the Company held during the Financial Year 2024-25. The Company has paid sitting fee of Rs. 5,30,000/- to her during the Financial Year 2024-25 and commission of Rs.17,50,000/- is payable to her for the said financial year.

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the name of Mrs. Rita Menon is included in the data bank maintained by the Indian Institute of Corporate Affairs.

Mrs. Rita Menon possesses the core skills/ expertise/ competencies identified by the Board of Directors namely, Corporate Governance, Accounting & Finance and Leadership & General Management, which are also part of the role and capabilities identified by NRC.

The Board of Directors evaluated the performance of Mrs. Rita Menon and was satisfied with her performance as an Independent Director of the Company. She has been actively contributing to the working and growth of the Company, and the Board and relevant committees have benefitted from her knowledge, experience and specialization. She is

a person of integrity and possesses requisite qualification, experience and expertise for appointment as Independent Director. Considering the qualification, experience, expertise, contribution as Director of the Company, report of performance evaluation and role & capabilities required of an Independent Director of the Company, the NRC and Board of Directors are of opinion that Mrs. Rita Menon has the requisite skills and capabilities required for an Independent Director, and her continued association would benefit the Company. Further, Mrs. Rita Menon fulfils the criteria for appointment of Director contained in the Remuneration Policy of the Company. In the opinion of the Board of Directors, Mrs. Rita Menon fulfils the conditions for re-appointment as Independent Director as specified in the Act, the Rules made thereunder, and the Listing Regulations and she is independent of the management of the Company.

Approval of the members is being sought for re-appointment of Mrs. Rita Menon as Independent Director of the Company, to hold office for a second term of 5 (five) consecutive years from September 10, 2025 upto September 09, 2030. If re-appointed, she shall be entitled to sitting fee for attending meetings of the Board of Directors and Committees thereof and payment by way of commission within the limits approved by the members of the Company. The other terms and conditions of re-appointment of Mrs. Rita Menon shall be as per the draft letter of appointment. The draft letter of appointment setting out terms and conditions of her re-appointment and other documents referred above, shall be available for inspection electronically by members upto the date of Annual General Meeting. Members seeking inspection of these documents may send an email to the Company at isc@chambal.in.

Save and except Mrs. Rita Menon and her relatives, none of the Directors, Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommend the resolution set out at Item No. 7 of the Notice for approval of members.

Item No. 8

The Board of Directors, upon recommendation of Nomination and Remuneration Committee ("NRC"), appointed Dr. Rakesh Jain as Additional Director (designated as Independent Director) under Section 161 of the Companies Act, 2013 ("Act") and Article 64 of the Articles of Association of the Company, with effect from July 15, 2025.

As per Section 149 read with Schedule IV of the Act, Dr. Rakesh Jain is eligible for appointment as Independent Director for a term of upto 5 (five) consecutive years and the proposed appointment requires approval of the members.

The Board of Directors, upon recommendation of NRC and considering other relevant factors, has recommended to the shareholders of the Company, to approve the appointment of Dr. Rakesh Jain as Independent Director of the Company

for a term of five consecutive years w.e.f. July 15, 2025 to July 14, 2030, not liable to retire by rotation.

Dr. Rakesh Jain, aged about 64 years, is B. Tech (Chemical) from Punjab University, Chandigarh and M. Tech (Polymer) from Indian Institute of Technology (IIT), Kharagpur. He also has a PhD. (Polymer) from University of Akron. He has more than 37 years of experience in business portfolio optimization & value creation, multi-sector operational excellence & strategic turnarounds, global manufacturing & supply chain transformation, digital transformation & business process re-engineering, corporate strategy, government & private sector advisory and lean six sigma and quality management.

He started his career in the year 1988 with GE Group and held multiple roles in the areas of technology, marketing, manufacturing & product management. Later, he was associated with the Aditya Birla Group for 11 years during 2003 to 2014, in various leadership roles. He is currently on the Board of Vardhman Special Steels Limited (listed entity) and Managing Partner of Arjuna Advisory Services LLP.

The Company has received the following confirmations from Dr. Rakesh Jain - (i) consent to act as Director; (ii) he is not disqualified from being appointed as Director in terms of Section 164 of the Act; (iii) declaration that he meets the criteria of independence as specified under Section 149 of the Act and Listing Regulations; and (iv) confirmation that he has not been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority. The Company has received notice in writing from a member in terms of the provisions of Section 160 of the Act, proposing the candidature of Dr. Rakesh Jain for the office of Director.

Details of other Indian companies in which Dr. Rakesh Jain is a Director, are as under:

| Sl. No. | Name of the Company |
|---------|----------------------------------|
| 1. | Vardhman Special Steels Limited* |

*Listed entity

Details of positions held by Dr. Rakesh Jain as chairperson/member of committees of board of directors of other Indian companies, are as under:

| Sl. No. | Name of the Company | Name of the Committee | Position held |
|---------|---------------------------------|---------------------------------------|---------------|
| 1. | Vardhman Special Steels Limited | Audit Committee | Member |
| | | Nomination and Remuneration Committee | Member |

In the past three years, Dr. Rakesh Jain has not resigned from directorship of any listed entity. He does not hold any equity shares in the Company, and he is not a relative (as defined under the Act and Rules thereunder) of any Director or Key Managerial Personnel of the Company. Dr. Rakesh Jain shall not be liable to retire by rotation. In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the name of

Dr. Rakesh Jain is included in the data bank maintained by the Indian Institute of Corporate Affairs.

Dr. Rakesh Jain possesses the core skills/ expertise/ competencies identified by the Board of Directors namely, Accounting & Finance, Corporate Governance, Leadership and General Management and Industry Experience, which are also part of the role and capabilities identified by NRC.

Considering the qualification, experience, expertise and role & capabilities required of an Independent Director of the Company, the NRC and Board of Directors are of opinion that Dr. Rakesh Jain has the requisite skills and capabilities required for an Independent Director, and his association would benefit the Company. Further, Dr. Rakesh Jain fulfils the criteria for appointment of Director contained in the Remuneration Policy of the Company. In the opinion of the Board of Directors, Dr. Rakesh Jain fulfils the conditions for appointment as Independent Director as specified in the Act, the Rules made thereunder, and the Listing Regulations and he is independent of the management of the Company.

Approval of the members is being sought for appointment of Dr. Rakesh Jain as Independent Director of the Company, to hold office for a term of 5 (five) consecutive years w.e.f. July 15, 2025 upto July 14, 2030. If appointed, he shall be

entitled to receive sitting fee for attending meetings of the Board of Directors and Committees thereof and payment by way of commission within the limits approved by the members of the Company. The other terms and conditions of appointment of Dr. Rakesh Jain shall be as per the draft letter of appointment, which will be available for inspection electronically by members along with other documents, upto the date of Annual General Meeting. Members seeking inspection of these documents may send an email to the Company at isc@chambal.in.

Save and except Dr. Rakesh Jain and his relatives, none of the Directors, Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends the resolution set out at Item No. 8 of the Notice for approval of members.

By order of the Board of Directors



Tridib Barat

Vice President - Legal &
Company Secretary

New Delhi
July 18, 2025

Seed to Harvest

Empowering Farmers



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DIRECTORS

Mr. Saroj Kumar Poddar
Chairman

Mr. Shyam Sunder Bhartia
Co-Chairman

Mr. Chandra Shekhar Nopany
Non-Executive Director

Mr. Abhay Baijal
Managing Director

Mr. Vivek Mehra
Non-Executive Independent Director

Mr. Pradeep Jyoti Banerjee
Non-Executive Independent Director

Mrs. Rita Menon
Non-Executive Independent Director

LEADERSHIP TEAM

Mr. Narinder Goyal
Business Head -
Manufacturing Operations

Mr. Ashish Kumar Srivastava
Vice President - Sales & Marketing

Mr. Vivek Misra
Business Head - Technical
Ammonium Nitrate

Mr. Anand Gupta
Vice President - Strategy

Mr. Ajay Tayal
Head - Manufacturing

Mr. Rajnish Chaba
Vice President - Technical Services &
Strategic Projects

Mr. Anuj Jain
Chief Financial Officer

COMPANY SECRETARY
Mr. Tridib Barat

AUDITOR

Price Waterhouse
Chartered Accountants LLP

COST AUDITOR
K.G. Goyal & Associates

SECRETARIAL AUDITOR
RMG & Associates

Chambal Fertilisers and Chemicals Limited

(CIN : L24124RJ1985PLC003293)

Registered Office: Gadepan, Distt. Kota, Rajasthan, PIN - 325 208

Tel. No. : 0744-2782915; Fax : 07455-274130

Corporate Office : "Corporate One", First Floor, 5, Commercial Centre, Jasola, New Delhi - 110 025

Tel. Nos. : +91-11- 46581300, 41697900; Fax : +91-11- 40638679

Email : isc@chambal.in; Website : www.chambalfertilisers.com

BOARD'S REPORT

Dear Members,

Your Board of Directors have pleasure in presenting the 40th Annual Report on the business and operations of the Company together with audited financial statements for the financial year ended March 31, 2025.

1. Standalone Financial Results

The financial performance of your Company on standalone basis is summarized below:

(Rs. in Crore)

| Particulars | Financial Year | |
|--|-----------------|-----------------|
| | 2024-25 | 2023-24 |
| Revenue from Operations | 16,646.20 | 17,966.41 |
| Other Income | 353.32 | 384.26 |
| Total Income | 16,999.52 | 18,350.67 |
| Total Expenses | 14,540.49 | 16,408.08 |
| Profit before Tax | 2,459.03 | 1,942.59 |
| Total Tax Expenses | 802.24 | 611.15 |
| Profit for the Year | 1,656.79 | 1,331.44 |
| Other Comprehensive Income for the Year (Net of Tax) | 74.83 | 92.34 |
| Total Comprehensive Income for the Year | 1,731.62 | 1,423.78 |
| Retained Earnings - Opening Balance | 6,153.72 | 5,994.94 |
| Add: | | |
| Profit for the Year | 1,656.79 | 1,331.44 |
| Any Other Change | - | (0.51) |
| Re-measurement (Loss) / Gain on Defined Benefit Plans | (0.26) | (2.02) |
| Less: | | |
| Cash Dividend | 320.52 | 312.16 |
| Buyback of Equity Shares | - | 678.03 |
| Tax on Buyback of Equity Shares | - | 159.45 |
| Transaction costs towards Buyback of Equity Shares | - | 5.37 |
| Amount transferred to Capital Redemption Reserve upon Buyback of Equity Shares | - | 15.56 |
| Transfer to Retained Earnings | - | (0.44) |
| Retained Earnings - Closing Balance | 7,489.73 | 6,153.72 |

Your Company's financial results for the Financial Year 2024-25 has three reporting segments namely, own manufactured fertilisers, complex fertilisers and crop protection chemicals and speciality nutrients.

Your Directors do not propose to carry any amount to the reserves for the year under review.

2. Operations

The Company is engaged in manufacture of Urea and has three urea plants at a single location in Gadepan, District Kota (Rajasthan). The Company markets other complex fertilisers such as Di-Ammonium Phosphate (DAP), Triple Super Phosphate (TSP), Muriate of Potash (MOP), NPK fertilisers, Crop Protection Chemicals and Speciality Nutrients. During the year under review, the Company has forayed into the seeds business, which substantially completes the agri-input products profile.

During the year under review, the urea facilities continued to operate at optimum capacity and energy efficiency levels, which were higher compared to the last year. The overall urea production during Financial Year 2024-25 too, was higher compared to the previous year i.e. Financial Year 2023-24. The prices of Natural Gas (feedstock) were less volatile during the year under review. The energy saving schemes undertaken by the Company during Financial Year 2023-24 are delivering better than expected benefits, and the energy efficiency of the Company's urea production facilities continued to be one of the best in the industry. During the year under review, the Company has bagged the runner-up award for environment protection and best production performance for Financial Year 2023-2024 from The Fertiliser Association of India (FAI).

The production of ammonia in the Company is in surplus due to technical reasons and the excess ammonia is sold by the Company in the market. During the year under review, the sales of ammonia were lower than the last year as the global prices of ammonia were subdued, which impacted the domestic market as well.

The year under review, witnessed muted trading in DAP by your Company, due to policy related issues. Nevertheless, the Company imported adequate quantity of NPK and MOP to service the channel and in the overall interest of farmers of the country.

The support of Government of India by way of timely release of subsidy during Financial Year 2024-25, led to your Company keeping its working capital deployment under control.

The Crop Protection Chemicals (CPC) and Speciality Nutrients (SN) business continued to grow strongly and registered double-digit growth during the year under review. During the Financial Year 2024-25, the Company expanded its focus on CPC and SN business and introduced 12 new products. The Government of India is promoting biogenic inputs under the PM PRANAM scheme. In the above endeavour, your Company entered into an Agreement for Research with The Energy and Resources Institute (TERI), to establish the research centre namely, “CFCL-TERI Centre of Excellence for Advanced and Sustainable Agriculture Solutions” to carry out end-to-end research and developing innovative biogenic solutions such as Nano Biotechnology based crop nutrition products, Biofertilizers, Bio stimulants and Biopesticides over a period of 5 years. This initiative aims to address the pressing challenges around soil health degradation and poor nutrient use efficiency. Your Company has also established marketing arrangements with innovator companies from Japan, US, Europe, and Middle East for access to new age products to fuel the growth in CPC and SN business.

‘Seed to Harvest’, a unique program under the marketing initiative of your Company, played a significant role in strengthening and expanding the relationship with both, the farmer and channel partners. During the year under review, your Company covered approximately 2,862 villages and 3.44 lakh farmers under the ‘Seed to Harvest’ program. More than 83,000 soil samples were collected to support the farmers in improving soil health and enhancing crop productivity. Your Company’s farmer outreach initiatives like the monthly ‘Chambal ki Chitthi’ which reached out to more than one lakh farmers, channel partners etc., and the WhatsApp BOT hosted over toll-free number connecting more than 14 lakh farmers in 21 campaigns, strengthened the Company’s focus on digital media. Your Company’s social media handles on YouTube, Facebook and Instagram were able to touch base with more than 2 lakh farmers/viewers via 90 campaigns. The ‘Uttam Santulit Poshan Abhiyan’ was launched to identify best farmer practices and to promote cost effective and environment friendly alternatives. The program was conducted in 13 states covering more than 42 locations.

Detailed information on the business operations of the Company, the industry in which the Company operates, and other relevant information are given in the Management Discussion and Analysis Report attached as **Annexure “A”** to this Report.

3. Technical Ammonium Nitrate (TAN) Plant

Your Company is setting up a TAN plant at its existing plant site at Gadepan, District Kota (Rajasthan), for manufacture of 2,40,000 MTPA of TAN, including a Weak Nitric Acid (WNA) plant with manufacturing capacity of 2,10,000 MTPA. Lumpsum turnkey contract has been awarded to M/s. Larsen & Toubro Limited for engineering, procurement, construction, and commissioning of the plant, while CASALE, Switzerland is the Process Licensor. All requisite statutory and other approvals for setting up the plant have been obtained. Construction activities are progressing in line with the timelines.

During the year under review, the project plan has undergone modification to enable additional feed of warm ammonia in the WNA and TAN plants and space provisioning in the High Density Ammonium Nitrate (HDAN) plot plan to accommodate Low Density Ammonium Nitrate (LDAN) equipment for future production of LDAN. However, the overall project cost remains the same. The plant is expected to commence commercial production in January, 2026.

4. Dividend

During the financial year ended on March 31, 2025, the Board of Directors of your Company declared an interim dividend @ Rs. 5 per equity share of Rs. 10 each i.e. @ 50% (Previous Year - Rs. 4.50 per equity share i.e. @ 45%).

The Board of Directors has recommended final dividend @ Rs. 5 per equity share of Rs. 10 each i.e. @ 50% (Previous Year - Rs. 3 per equity share i.e. @ 30%) for the Financial Year 2024-25, which shall be paid after approval of shareholders at their ensuing Annual General Meeting.

Total dividend for the Financial Year 2024-25 on account of interim and final dividend, amounts to Rs. 10 per equity share of Rs. 10 each i.e. @ 100% (Previous Year - Rs. 7.50 per equity share i.e. @ 75%) involving total outgo of Rs. 400.65 Crore, subject to deduction of tax at source (Previous Year - Rs. 307.49 Crore subject to tax deducted at source).

The Dividend Distribution Policy of the Company is available on the website of the Company and can be accessed on the weblink: <https://www.chambalfertilisers.com/pdf/Final-Dividend-Distribution-Policy.pdf>. There is no change in this policy during the year under review. The interim and final dividends for the Financial Year 2024-25 declared/recommended by the Board of Directors are in accordance with the Dividend Distribution Policy of the Company.

5. Consolidated Financial Statements

In pursuance of the provisions of the Companies Act, 2013, rules framed thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and the applicable accounting standards, the Company has prepared Consolidated Financial Statements.

The audited Consolidated Financial Statements, alongwith Auditor’s Report and the Statement containing salient features of the financial statements of subsidiaries/joint venture (Form AOC - 1), form part of the Annual Report.

6. Corporate Governance Report and Code of Conduct

The Corporate Governance Report for the Financial Year 2024-25 is attached as **Annexure “B”** to this Report. The members are requested to refer to general shareholders’ information given in Corporate Governance Report attached hereto.

All the Directors of the Company and senior management personnel have confirmed compliance of the ‘Code of Conduct and Ethics’ of the Company. The declaration of Managing Director confirming compliance with the ‘Code of Conduct and Ethics’ is enclosed as **Annexure “C”** to this Report and certificate of a company secretary in practice regarding compliance with the conditions of Corporate Governance is enclosed as **Annexure “D”** to this Report.

7. Subsidiaries and Joint Venture

Details of the subsidiaries and joint venture as on March 31, 2025 are given below:

(a) Subsidiaries

CFCL Ventures Limited (CVL) is a subsidiary of your Company in Cayman Islands. CVL has two step down subsidiaries namely, ISGN Corporation in the United States of America and ISG Novasoft Technologies Limited (ISGN, India) in India. There was no business activity in these subsidiaries during the year under review.

During the year under review, all procedural requirements in connection with reduction of equity share capital of ISGN India from Rs. 36,23,07,000 to Rs. 6,68,07,000 as provided in the relevant rules and the order of Hon'ble National Company Law Tribunal, Bengaluru Bench, were completed.

Chambal Infrastructure Ventures Limited is a wholly owned subsidiary of the Company in India. There was no business activity in this subsidiary during the year under review.

The Company does not have any material subsidiary as per the provisions of the Listing Regulations.

The performance of the subsidiaries of the Company is summarized in Form AOC - 1 attached to the Financial Statements in pursuance of Section 129 of the Companies Act, 2013. The contribution of subsidiaries and joint venture to the overall performance of the Company is also provided in Note no. 46 to the Consolidated Financial Statements. The financial statements of subsidiaries shall be hosted on the website of the Company in pursuance of Section 136 of the Companies Act, 2013.

(b) Joint Venture: Indo Maroc Phosphore S. A. – IMACID

Indo Maroc Phosphore S. A. – IMACID (IMACID) is a joint venture of your Company in Morocco with Tata Chemicals Limited and OCP S.A., Morocco. Each partner has an equal stake (i.e. 33.33%) in the joint venture. IMACID is engaged in the manufacture of phosphoric acid in Morocco.

The performance of IMACID is summarized below:

| Particulars | April 01, 2024 to March 31, 2025 | April 01, 2023 to March 31, 2024 |
|------------------------------------|--|--|
| Production of Phosphoric Acid (MT) | 5,23,932 | 4,36,404 |
| Sale of Phosphoric Acid (MT) | 4,47,587 | 3,76,676 |
| Revenue | Moroccan Dirham 4,466.26 Million (Rs. 3,773.99 Crore) | Moroccan Dirham 3,576.27 Million (Rs. 2,918.24 Crore) |
| Profit after Tax | Moroccan Dirham 467.58 Million (Rs. 395.10 Crore) | Moroccan Dirham 295.74 Million (Rs. 241.33 Crore) |

Turnover was higher during the Financial Year 2024-25 due to price variance and sales volume. Profit after Tax rose during the same period due to better margins as compared to the previous year.

No subsidiary, associate or joint venture has been acquired/sold/liiquidated/ceased during the Financial Year 2024-25.

8. Health, Safety, Environment Protection and Quality

Your Company strives to improve the standards of health, safety, security, environment protection and quality of products, and towards this intent, a comprehensive Health, Safety, Security, Environment & Quality Policy is in place. The initiatives of your Company in the above regard, in brief, are as under:

(a) Health & Hygiene

Your Company gives due importance to health assessment and monitoring of occupational disease of employees and contractor's work force, which is conducted through periodic medical examination and hygiene monitoring at the workplace. A well-equipped Occupational Health Center at Gadepan operates round the clock to provide health services to employees and their families, contractor's workforce, and villagers in the vicinity of the plant. Well-equipped ambulances are available at Gadepan plant, which also caters to the requirements of villagers in case of medical emergency. The Company facilitates employees with specialist doctor consultation at the health center in Gadepan, and basic infrastructure for dental & eye checkup has also been developed. The Primary Health Centre (PHC) close to Gadepan has been equipped with X-ray, ECG, and pathological lab test machines provided by the Company.

Your Company organizes training and awareness programs on health and hygiene related matters from time to time, through external experts. In addition to this, various health camps and campaigns like pulse polio & swine flu vaccination, blood donation, immunization program for children, etc. are organized periodically. The self-sustainable complex at Gadepan provides a hygienic and healthy environment for the employees and their families, significantly contributing to their overall welfare.

(b) Safety Management

In order to ensure the highest levels of health and safety of employees and contractors, a well-defined health and safety management system is in place in your Company. A robust process safety management system is also in place to ensure safe operation of plants and maintenance of equipment and machinery. In order to cover the safety aspects of maintenance jobs, a cross-functional team comprising members of senior management team review the jobs from safety perspective on daily basis and ensure that all recommended safety measures are followed to mitigate hazards during execution of the work. Extensive safety training and drills are conducted by internal and external experts, which help the Company to maintain and improve the safety systems. Your Company

has also strengthened workplace safety by implementing various safety improvement programs basis learnings gathered from other industries/companies. As recognized globally that major cause of accidents/incidents is human behavior, a system of Behavior Based Safety was implemented in operation as well as maintenance activities.

With a view to promote participation, consultation, and ownership of the work by contractor's associates, the number of contractor safety supervisors has been increased for better monitoring and safe execution of the work. Various road safety measures such as pedestrian paths, drain protection, fixed speed monitoring cameras at strategic locations, floor markings, safety signages and other visual management measures have been taken to prevent accidents, as per recommendations of the expert agency. Improvement in the working environment has been achieved by way of provision of fresh air supply system and regular illumination survey. CCTV surveillance system has been installed in most vulnerable areas, such as loading and unloading hazardous chemicals, to strengthen safety.

The Company implemented '5-S' (Sort, Set in Order, Shine, Standardize, and Sustain), the globally recognized Japanese system to enhance safety, productivity, and organization across the workplace.

In order to enhance the existing firefighting and emergency handling system and identify areas of improvements respective to Indian Standards/National Fire Protection Association standards or best industrial practices, the Company conducted fire adequacy study through external agency for the entire plant.

"Near-Miss" and "Make-to-Good" reporting systems are also in place and various programs and campaigns are organized to encourage safety awareness and involvement of employees and contractor staff.

As a responsible corporate citizen, a special drive was initiated by the Company in collaboration with State Disaster Response Force, Kota, wherein a mock drill was organized to check effectiveness of the disaster management plan in Urea-1 plant. The mock drill witnessed participation of teams from Kota's fire services, electricity board etc. Given the nature of operations, the Company has a well-defined "On-Site Disaster Management Plan" and "Mutual Aid and Response Group" with neighboring industries, which operates for the mutual benefit of all. In case of fire emergency, the Company provides services to the neighboring villages.

The accident rate has significantly reduced over the years due to strengthening of the safety management system.

(c) Environment Protection

Your Company gives importance to protection of the environment and conservation of natural resources. The Company has established a state-of-the-art Environment Management Cell which hosts a fully functional laboratory with modern testing and monitoring equipments, to ensure all emissions are within permissible limits. This facility also ensures that the Company complies with the relevant national and local regulations with respect to the environment.

Continuous Emission Monitoring Systems, Continuous Effluent Quality Monitoring Systems, and Continuous Ambient Air Quality Monitoring Stations are installed to monitor any deviation in applicable parameters and environmental surroundings. There is a strong focus on optimizing the use of resources (including raw materials and water) and reducing waste generation and atmospheric emissions.

Hazardous and electronic waste is disposed of through authorized vendors. Biodegradable waste from the canteen, guest house, and campus is utilized to generate biogas in the Bio-Methanation Plant. As part of solid waste management, a new site has been established within the campus for domestic waste collection and disposal.

The Company places great importance on environmental awareness through regular promotional campaigns, training sessions, environmental and safety committee meetings, and emergency drills. A dense green belt with a variety of trees has been developed, and regular plantation drives are conducted within the campus to provide a soothing and healthy environment for individuals working/residing in and around the township. The campus has also become a habitat for many bird species.

Only treated wastewater is used for maintaining the green belt through an extensive irrigation network spread across the complex. The Gadepan-III plant operates as a zero liquid discharge facility and effluents from the said plant are treated in a reverse osmosis-zero liquid discharge system, and the permeate is used as make-up water for cooling towers. This has significantly reduced the intake of fresh water from the river surrounding the campus.

During the Financial Year 2024-25, approximately 86% of the sludge generated from the reverse osmosis plant was sent to cement companies for co-processing, rather than being disposed of in a landfill approved by the Rajasthan State Pollution Control Board.

The Company remains conscious of its responsibility toward environmental sustainability. Roof-top solar panels with a peak capacity of 1000 kW (AC) have been installed at the Gadepan campus as a step toward using renewable energy. During the Financial Year 2024-25, 1.72 million kWh of solar power was generated.

Additionally, the Company implemented various energy saving schemes and invested Rs. 227.84 crore by the end of March 2024 to reduce energy consumption in the Gadepan-I and Gadepan-II plants. These efforts led to a significant reduction in greenhouse gas emissions by 91,875 metric tons of CO₂ and a significant reduction of water consumption during the Financial Year 2024-25. In line with the government guidelines, use of single-use plastic is strictly prohibited in the Gadepan campus.

(d) Quality Management

Your Company is known for its high-quality products, with a steadfast commitment to quality forming the core of its operations. Continuous efforts are made to enhance product quality through process improvements and adoption of advanced technologies.

Highly reliable, inbuilt quality check systems are implemented in accordance with the approved norms and applicable legal requirements. The Company takes prompt corrective and preventive actions whenever required.

Quality is maintained at every stage of the manufacturing process, as well as in maintenance and support services. The urea produced by the Company is widely preferred in its marketing territory due to superior quality.

The Company also markets products sourced from reputed manufacturers in India and overseas. Appropriate quality assurance measures are taken to ensure that all sourced products meet the Company's high standards.

Customer feedback is collected through targeted surveys and is given due importance, as it serves as a crucial tool in identifying areas for continuous improvement.

9. Corporate Social Responsibility (CSR)

Embracing the vision of "Investing Today for a Sustainable Tomorrow", your Company has adopted a community centric approach for its Corporate Social Responsibility (CSR) projects and programmes, which are aligned with broader global goals for sustainable and inclusive development. The Company is investing in the area of Education including Technical and Vocational Education, Rural Development, Healthcare and Sanitation, Employability and Empowerment, Environmental Sustainability, Animal Welfare and Soil Health, and Promotion of Sports.

Highlights of the CSR projects and programmes of the Company during the Financial Year 2024-25, are as under:

a) Project Akshar - Pre-Primary & School Education

School Project

As part of Company's long-term commitment to provide quality education to rural students, an ongoing project has been launched to develop a CBSE – based English medium school in the Gadepan village. During the Financial Year 2024-25, a land parcel of 5.78 acre was purchased. It is planned to construct the building and start the academic sessions in the school in next three years.

Government Schools & Anganwadi Centers

Your Company has adopted three more Government schools during the Financial Year 2024-25, taking the total number of adopted institutions to 57 Government schools and 47 Anganwadi centers in Kota and Baran districts of Rajasthan. The education project has supported nearly 10,000 rural students by providing access to science subjects, digital learning, computer education, extra-curricular activities, and sports as an integral part of course curriculum. The project is also focusing on "Socio Emotional Learning" and "Pedagogy based and age-appropriate learning opportunities" for students in early school years.

Other initiatives

- i. In order to broaden the project's outreach, 25 Government schools of Haryana, and Punjab were supported by providing digital interactive panels to support quality education. Furthermore, to promote girl child education, assistance was provided to one school in Uttarakhand. Chambal Fertilisers DAV School at Gadepan is run in collaboration with Dayanand Anglo Vedic College Trust & Management Society, wherein majority of students are from nearby villages of plant location.
- ii. During the Financial Year 2024-25, 4 additional rooms in 2 Government schools and one new toilet block was constructed in neighbouring villages of plant location. Additionally, renovation work was undertaken in one Government Anganwadi center and 8 Government schools.
- iii. The Government of Rajasthan conferred Bhamashah Award - "Shiksha Vibhushan" to your Company for the 6th consecutive year, for exemplary efforts in the field of education in Kota and Baran districts.

b) Project Saksham - Technical and Vocational Education

Industrial Training Institutes (ITIs) & Government Polytechnic College

Upskilling youth for better employment opportunities, especially from underprivileged and marginalized sections of society, is the core of this project. Through adopted 5 Industrial Training Institutes (ITIs) and Government Polytechnic College, skill training programs were offered to the rural youth.

During the Financial Year 2024-25:

- Government of Rajasthan announced a new trade – 'Mechanic Electrical Vehicle' at Government Industrial Training Institute Sangod. This new trade is expected to create more and better job opportunities for rural youth, consequently enhancing standards of living of their families.
- The Company offered several certificate courses such as Occupational Health & First Aid, Fire & Safety and Personality Development to improve the job prospects of rural youth.
- With focus on academic excellence and practical exposure, around 800 students successfully received placement offers from various companies.

Chambal Fertilisers Skill Institute

Your Company has established a state-of-the-art skill center namely "Chambal Fertilisers Skill Institute" near its plant at Gadepan, which is now offering five vocational courses in comparison to three courses in the last financial year. During the Financial Year 2024-25, 549 youth passed from this institute and achieved 100% placement across various organizations. The institute also offers mandatory training on personality development, soft skills, computer, and information technology skills and "on-the-job training" to each student.

Other Initiatives

Your Company actively encourages youth from the nearby community, particularly girls, to acquire new skills through vocational training courses organized in the villages. The project offered short term vocational courses such as advanced tailoring, food processing, beauty services, handicraft making, solar panel assembling, motor driving and plumbing etc. to more than 544 youths during the Financial Year 2024-25.

c) **Project Saakar - Rural Development**

Your Company's comprehensive interventions are designed to uplift the infrastructure facilities of villages of district Kota, Baran and Bundi of Rajasthan.

During the Financial Year 2024-25:

- Focus was given to develop community halls, community common spaces, recreational centers, crematoriums, playgrounds, storm water drain network, cement concrete roads, interlocking tile walkways etc.
- Streetlights were also installed in 3 villages located near plant locations to create a safe environment for the community during night hours.
- Three open gym facilities were established by the Company in nearby villages to promote a healthy lifestyle amongst community members.
- Few schools were renovated, and new classrooms were constructed to strengthen infrastructure facilities in schools. In an effort to strengthen the Anganwadi setups in Anta Block of District Baran (Rajasthan), 10 Anganwadi centers were renovated.
- Nearby villages of plant location at Gadepan were developed under the model village scheme with all basic amenities and infrastructure facilities for the community.

d) **Project Arogya - Health care and Sanitation**

Primary Health Centers (PHC)

Project Arogya offers easy access to quality healthcare facilities to rural folk in Kota, Baran and Bundi districts of Rajasthan through 4 PHCs.

Other initiatives

- As a pro-active measure, healthcare facilities were extended in 31 villages and over 100 academic institutions adopted under your Company's CSR initiatives. These efforts have translated into tangible results, with approximately 1,29,000 individuals accessing OPD services and pathological lab test facilities annually in PHCs and around 53,000 community members receiving benefit from health camps and awareness sessions on health-related topics.
- Your Company is actively contributing to "Tuberculosis (TB) Free India campaign" and undertook screening of around 16,000 rural folks of nearby villages of Kota and facilitated the TB patients to receive medical and nutritional care from the Government Portal.
- Your Company has also installed reverse osmosis units, water coolers and water tanks in selected 55 schools of 17 districts of Maharashtra to ensure safe drinking water facilities for students.

e) **Project Pragati - Employability and Empowerment**

The Company is extending support to rural women folk to create self-help groups in villages and initiate income generation activities through Project Pragati.

One Village- One Product

These women self-help groups focus on making various hand made products under "One Village - One Product" concept to become self-reliant and financially independent. During the Financial Year 2024-25, Paper Recycling, Spice Packaging, Millet based bakery, and Dabu and Block printing units were made functional under the said initiative and employment opportunities were also extended to around 30 women folk.

To run these centers, two dedicated buildings were constructed in nearby villages. Apart from this, garment production, school bag production center and sanitary napkin production center continued to provide employment opportunities to the rural women.

f) **Project Bhoomi - Environmental Sustainability, Animal Welfare and Soil Health**

"Crop Residue Management" and "Sustainable Agriculture" initiatives of the Company were extended to more than 380 villages of Rajasthan, Haryana, and Punjab during the Financial Year 2024-25. Project Bhoomi achieved successful milestones, including saving nearly 3.91 Million Kg of green house gas emission and prevention of crop residue burning in about 2.54 lakh acre land during the paddy harvesting season in Haryana and Punjab. The initiative successfully reached out to over one lakh small and marginalized farmers during the Financial Year 2024-25.

The agriculture development laboratory at Gadepan continues to facilitate farming community to access soil testing services for their farmland. During the Financial Year 2024-25, approximately 30,500 soil samples were tested, and farm advisory services were extended to the farmers to provide valuable insight on soil health and enable them to take informed decisions for optimized agricultural productivity.

The Company is consistently making efforts to ensure conservation of natural resources, particularly water. Rainwater harvesting structures were constructed in 5 adopted schools. Additionally, to promote energy self-sufficiency, solar panels of 76.50 kW capacity were installed at Chambal Fertilisers Skill Institute and solar panels of 1.5 kW capacity each were installed at 7 adopted Government Anganwadi centers.

g) **Promotion of Sports**

Sports Development Centers

The Company is focused on creating sports infrastructure facilities in rural academic spaces, i.e. schools and technical institutions. Additionally, 9 sports development centers and 1 stadium at Sangod offer sports training to students on various sports. Sports are promoted as an integral part of the curriculum, focusing on development of core strengths of students and encouraging them to participate in sports events at various state and national levels.

Apart from sports events at schools and cluster levels, the Company has organized various sports events such as mini marathon, cricket leagues, open Kho Kho and Kabaddi tournament in rural areas during the Financial Year 2024-25. Continuous training and support by the Company have encouraged more than 200 students to participate in various state, zonal and national level events, making ways for their bright career in sports.

The CSR obligation of your Company in terms of the applicable provisions of the Companies Act, 2013 and Rules made thereunder for the Financial Year 2024-25, is Rs. 34.00 Crore. Your Company has spent Rs. 34.09 Crore on various CSR projects / programmes during the year under review. The composition and terms of reference of Corporate Social Responsibility Committee are given in the Corporate Governance Report. The Corporate Social Responsibility Policy of the Company is available on the website of the Company at <https://www.chambalfertilisers.com/csroverview>. The Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2024-25 (including the details of the development and implementation of the Corporate Social Responsibility Policy) as prescribed under Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as **Annexure "F"** to this Report.

10. Directors and Key Managerial Personnel

As on March 31, 2025, the Board of Directors of your Company comprised of eight directors. The Board composition includes a Managing Director and seven Non-Executive Directors, of which four are Independent Directors (including one woman independent director).

The shareholders of the Company at their Annual General Meeting held on August 27, 2024 re-appointed Mr. Pradeep Jyoti Banerjee as Independent Director, to hold office for second term of 5 (five) consecutive years from December 01, 2024 to November 30, 2029. The Board of Directors is of the opinion that Mr. Pradeep Jyoti Banerjee is a person of integrity and possesses requisite qualification, experience and expertise for re-appointment as Independent Director. Mr. Pradeep Jyoti Banerjee is exempt from the requirement to undertake online proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs.

The tenure of Mr. Abhay Baijal as Managing Director shall come to an end on July 20, 2025. The Board of Directors, upon recommendation of Nomination and Remuneration Committee, at its meeting held on February 6, 2025 re-appointed Mr. Abhay Baijal as Managing Director for a period of 3 (three) years w.e.f. July 21, 2025, subject to the approval of the members in the next general meeting. During the Financial Year 2024-25, Mr. Abhay Baijal, Managing Director, did not draw any remuneration or commission from the subsidiary companies.

The tenure of Mrs. Rita Menon as Independent Director shall come to an end on September 09, 2025. Mrs. Rita Menon, being eligible, has offered herself for re-appointment as Independent Director. The Nomination and Remuneration Committee and the Board of Directors have recommended to the members of the Company, re-appointment of Mrs. Rita Menon as Independent Director, to hold office for second term of 5 (five) consecutive years from September 10, 2025 to September 09, 2030.

During the year under review, there is no resignation by any director of the Company.

Mr. Shyam Sunder Bhartia, Director retires by rotation at the forthcoming Annual General Meeting, and being eligible, has offered himself for re-appointment.

Mr. Anand Agarwal ceases to be the Chief Financial Officer (Key Managerial Personnel) from close of business hours on May 8, 2025. The Board of Directors, upon recommendation of the Nomination and Remuneration Committee, has appointed Mr. Anuj Jain as Chief Financial Officer (Key Managerial Personnel) w.e.f. May 9, 2025.

All the Independent Directors have submitted declaration that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013, rules framed thereunder and the Listing Regulations. In terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, the names of all the Independent Directors of the Company are included in the data bank maintained by the Indian Institute of Corporate Affairs.

Four meetings of the Board of Directors were held during the Financial Year 2024-25. Other requisite information on the Directors and Board Meetings is provided in the Corporate Governance Report attached as **Annexure "B"** to this Report. Certificate of a company secretary in practice confirming that none of the Directors on the Board of Directors of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the Securities and Exchange Board of India /Ministry of Corporate Affairs or any such statutory authority, is enclosed as **Annexure "E"** to this Report.

11. Internal Financial Controls

The Company has internal financial controls commensurate with the size and nature of its business. The Company has policies and procedures in place for ensuring orderly and efficient conduct of its business and operations, including adherence to the Company's policies, safeguarding its assets, prevention and detection of frauds & errors, accuracy & completeness of accounting records and timely preparation of reliable financial information.

The details of the internal control system are also given in the Management Discussion and Analysis Report attached as **Annexure "A"** to this Report.

12. Remuneration Policy

In pursuance of the provisions of Section 178 of the Companies Act, 2013 and the Listing Regulations, the Company has formulated the Remuneration Policy. The Remuneration Policy outlines, *inter-alia*, the appointment criteria & qualification requirements, process for appointment & removal, retirement policy, remuneration structure, etc. of the Directors, including Managing Director and Whole Time Director(s), Key Managerial Personnel ('KMP') and other senior management personnel of the Company. As per the Remuneration Policy of the Company, a person proposed to be appointed as Director, KMP or other senior management personnel should be a person of integrity with high level of ethical standards. In case of appointment as an Independent Director, the person should fulfill the criteria of independence prescribed under the Companies Act, 2013, rules framed thereunder and the Listing Regulations. The Remuneration Policy also contains provisions about the payment of fixed & variable components of remuneration to the Managing Director and Whole

Time Director(s) and payment of sitting fee and commission to the Non-Executive Directors, and outlines fundamental principles for determination of remuneration of senior management personnel and other employees. There is no change in the Remuneration Policy during the year under review. The Remuneration Policy of the Company is available on the website of the Company at the weblink: <https://chambalfertilisers.com/pdf/RemunerationPolicy.pdf>.

13. Disclosures under the Companies Act, 2013, Rules thereunder and Secretarial Standards

- a) Your Company has not issued any shares during the Financial Year 2024-25.
- b) No significant and material orders have been passed by the regulators or courts or tribunals or statutory and quasi-judicial bodies impacting the going concern status and Company's operations in future.
- c) All related party transactions entered during the Financial Year 2024-25, were on arm's length basis and in the ordinary course of business. No material related party transaction (in terms of the Company's Policy on Related Party Transactions) was entered into during the year and no contracts or arrangements were entered during the year with related parties which are required to be disclosed under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2.
- d) A copy of annual return of the Company is available on the website of the Company on the weblink: <https://chambalfertilisers.com/annualreturns/>
- e) Following information is given in the Corporate Governance Report attached as **Annexure "B"** to this Report:
 - i) Performance evaluation of the Board of Directors, committees of the Board of Directors, Chairman of the Company and individual Directors;
 - ii) Composition of Audit Committee; and
 - iii) Details of establishment of Vigil Mechanism.
- f) The particulars of loans and guarantees given, security provided and investments made, if any, under Section 186 of the Companies Act, 2013 are provided in Notes to the Financial Statements.
- g) During the Financial Year 2024-25, the auditor, secretarial auditor and cost auditor have not reported any fraud under Section 143(12) of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014.
- h) The Company has complied with the applicable Secretarial Standards prescribed under Section 118(10) of the Companies Act, 2013.
- i) The Company has complied with the provisions relating to the constitution of Internal Complaints Committees under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- j) There have been no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the Financial Year 2024-25 and the date of this Report.
- k) During the year under review, no application was made and/or any proceeding was pending under the Insolvency and Bankruptcy Code, 2016. Further, there was no instance of one-time settlement with any Banks or Financial Institutions during the said period.

14. Directors Responsibility Statement

Your Directors hereby state that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the profit of the Company for the year ended March 31, 2025;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

15. Auditor and Cost Auditor

The Notes to the Financial Statements read with the Auditor's Reports are self-explanatory and therefore do not call for further comments or explanations. There is no qualification, reservation, disclaimer or adverse remark in the Auditor's Reports.

The shareholders of the Company at their Annual General Meeting held on September 13, 2022, had re-appointed M/s. Price Waterhouse Chartered Accountants LLP (Firm Registration Number: 012754N/ N500016) as Auditor, to hold office for the second term of 5 (five) consecutive years from the conclusion of 37th Annual General Meeting till the conclusion of 42nd Annual General Meeting.

The requirement of maintenance of cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, is applicable to the Company in respect of production of fertilisers, and accordingly the said accounts and records are made and maintained by the Company. The Board of Directors of the Company has appointed M/s. K.G. Goyal & Associates, Cost Accountants for conducting the audit of cost records of the Company, as applicable, for the financial year ending March 31, 2025. As required under the Companies Act, 2013 and Rules framed thereunder, your Directors are seeking ratification from the members of the Company for the remuneration payable to M/s. K.G. Goyal & Associates, Cost Accountants for the financial year ending March 31, 2026.

16. Secretarial Audit

The Board of Directors of the Company had appointed M/s. RMG & Associates, Company Secretaries for conducting the secretarial audit of the Company for the Financial Year 2024-25. The Secretarial Audit Report issued by the aforesaid Secretarial Auditor is attached as **Annexure "G"** to this Report. There is no qualification, reservation, observation, disclaimer or adverse remark in the Secretarial Audit Report.

In terms of Sections 179 and 204 of the Companies Act, 2013 and rules made thereunder, read with Regulation 24A(1) of the Listing Regulations, the Board of Directors recommended for approval of the members of the Company, appointment of M/s. RMG & Associates, Company Secretaries (Firm Registration No.- P2001DE016100) as Secretarial Auditor of the Company, to hold office for 5 (five) consecutive years from the conclusion of the 40th Annual General Meeting to be held in calendar year 2025, until conclusion of the 45th Annual General Meeting to be held in the calendar year 2030.

17. Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

Your Company strives to conserve energy by improving efficiency and minimizing energy usage, resulting into saving of natural and financial resources. The requisite information with regard to conservation of energy, technology absorption and foreign exchange earnings and outgo in terms of the Companies (Accounts) Rules, 2014 is set out in **Annexure "H"** attached to this Report.

18. Risk Management

Your Company has framed and implemented a comprehensive Risk Management Policy. The Risk Management Committee periodically reviews the risks and calibrates the risk document(s) and monitors various risks, including the risks, if any which may threaten the existence of the Company. The composition and terms of reference of the Risk Management Committee are outlined in the Corporate Governance Report. The risk document as approved by the Risk Management Committee, outlining the key and non-key risks, including way forward for mitigation thereof, is periodically reviewed by the Audit Committee and the Board of Directors.

19. Deposits

During the year under review, the Company did not accept any deposit from the public under Chapter V of the Companies Act, 2013. There was no public deposit outstanding as at the beginning and end of the Financial Year 2024-25.

20. Particulars of employees

Your Company lays emphasis on the well-being and development of its human resource, recognizing them as a key driver of success and growth. The statement containing disclosures as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure "I"** to this Report.

Further, in terms of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the statement showing names and other particulars of top ten employees in terms of remuneration drawn, and of the employees drawing remuneration in excess of the limits set out in the said rules, forms part of this Report. However, in terms of the second proviso to Section 136(1) of the Companies Act, 2013, the Annual Report, excluding the said statement, is being sent to the members of the Company. Any member interested in obtaining the said information may write to the Company at isc@chambal.in. The information will also be available for inspection at the registered office of the Company on all working days (i.e. Monday to Friday) between 10:00 am and 5:00 pm, upto the date of the ensuing Annual General Meeting.

21. Employees Stock Option Scheme

During the year under review, no stock options were granted, vested, exercised or cancelled under the 'CFCL Employees Stock Option Scheme 2010', as amended from time to time (ESOS 2010). All the eligible employees have exercised their stock options under ESOS 2010 by the financial year ended on March 31, 2024. Under the ESOS 2010, the Trustee of the CFCL Employees Welfare Trust did not hold any equity shares of the Company during the Financial Year 2024-25.

The disclosures required to be made under ESOP Regulations are hosted on the website of the Company under the weblink: <https://www.chambalfertilisers.com/pdf/ESOP-Disclosure-2024-25.pdf>. The requisite disclosures in respect of ESOS 2010 are also given in the Notes to the Financial Statements for the Financial Year 2024-25.

22. Business Responsibility and Sustainability Report

In pursuance of the provisions of the Listing Regulations, the Business Responsibility and Sustainability Report for the Financial Year 2024-25, outlining the initiatives of the Company from environmental, social and governance perspective, forms part of the Annual Report.

23. Acknowledgements

The Board of Directors would like to formally acknowledge and express appreciation for the support and co-operation extended by all the stakeholders, including the Department of Fertilizers, Government of India, Government of Rajasthan and other State Governments, Financial Institutions & Banks, investors and customers. The Board of Directors also value the diligent efforts, utmost commitment and highest level of dedication demonstrated by employees at each level.

**For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited**

Rita Menon
Director
DIN: 00064714

Abhay Baijal
Managing Director
DIN: 01588087

Place : New Delhi
Date : May 08, 2025

Annexure “A” to Board’s Report
MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Chambal Fertilisers and Chemicals Limited (CFCL/Company) is the largest private sector manufacturer of urea in the country, delivering annual production of around 3.46 million MT of urea. It has three state-of-the-art plants located at Gadepan, District Kota (Rajasthan). CFCL offers agri-inputs to farmers under one roof, thus, in addition to manufacturing urea, the Company markets other fertilisers and agri-inputs such as Di-Ammonium Phosphate (DAP), Triple Super Phosphate (TSP), Muriate of Potash (MOP), different grades of NPK fertilisers, Crop Protection Chemicals (CPC) and Speciality Nutrients (SN). CFCL has forayed into the seeds business during the year under review, which will substantially complete its agri-inputs profile.

The Management Discussion and Analysis Report in respect of business and operations of the Company is, as under:

1. Industry structure and developments

A) Own manufactured fertiliser - Urea

In terms of usage, nitrogen is the most consumed nutrient in agriculture by Indian farmers. 80% of consumption of nitrogen for agricultural purposes is through urea. The price of urea is regulated by the Government of India, which gives subsidy to the farmers via price subvention mechanism on the urea sold for agriculture use. The use of urea, is widespread due to low nitrogen content in Indian soil, and rapid due to its affordability, ease of application and proven visible results. This is borne out by international experience too. Urea is now a vital fertiliser and widely accepted for farm productivity. Accordingly, many states in India have witnessed substantial increase of urea usage per acre of land.

The past five-year’s (2020 - 2025) growth figures (on CAGR basis) of urea sales show an increase of ~2.6 % p.a., which is primarily due to increase in gross irrigated area, gross cropped area and higher usage/acre.

Urea production in the country during the Financial Year 2024-25 was 30.64 million MT, compared to 31.41 million MT during the previous year. Sale of urea in the country during the Financial Year 2024-25 touched 38.77 million MT, as against 35.73 million MT during the previous year.

During the Financial Year 2024-25, 5.65 million MT of urea was imported in the country, compared to 7.04 million MT imported during the previous year. The price of imported urea was around USD 343.35 per MT at the beginning of the Financial Year 2024-25, which touched the level of USD 424.5 per MT during the said period.

Earlier, there were estimates that the new urea plants which were to be operational under the New Investment Policy - 2012, will significantly narrow down the demand-supply gap of urea in the country and will reach to the level of self-sufficiency. However, due to increased sale of Urea @2.6% p.a. on CAGR basis, India is still import dependent insofar as Urea is concerned.

Most of the urea manufacturing units in India are gas based, which use gas as feedstock/raw material. The requirement of gas is majorly met through imports as the supply of domestic gas to urea manufacturers has substantially reduced over a period. Gas is imported in the country in the form of re-gasified liquefied natural gas (R-LNG) and is sourced through long-term, mid-term and short-term contracts. R-LNG price is linked to crude oil prices. The cost of gas, being the major input cost, significantly impacts the cost of manufacturing of urea. However, the cost of gas is appropriately considered by Government of India while fixing the subsidy for urea units. At present, gas prices are on the lower side due to reduction in crude oil prices, and as per forecasts, they are expected to remain low, compared to the previous year.

B) Complex fertilisers

In India, around 60% of the phosphorus consumption for agricultural purposes is met through DAP, which is also regulated by the Government of India. The country’s requirement of DAP is met through mix of domestic manufacturing and imports. During the Financial Year 2024-25, the country’s imports of DAP were around 55% of the total quantity supplied in the domestic market. Due to unfavorable market conditions, during the year under review, lower quantum of 4.57 million MT of DAP was imported in the country, as against 5.57 million MT of DAP imported during the previous year. The prices of DAP in the international market were in the range of USD 559 - 560 per MT (CFR India) in April 2024, which moved in the range of USD 648 - 649 per MT (CFR India) till the end of the Financial Year 2024-25.

During the Financial Year 2024-25, there was a reduction in DAP sales due to its availability, and the demand was partly met by Ammonium Phosphate Sulphate (APS) and other NPK grade fertilisers. Sale of DAP in the domestic market was 9.28 million MT (previous year - 10.81 million MT), which was catered by domestic production of 3.77 million MT (previous year - 4.29 million MT) and the balance quantity through imports.

The country’s requirement of NPK fertilisers is primarily met by way of products manufactured in the country, and some quantities of few specific grades are imported. However, the country continues to be largely dependent on import of raw material (ammonia, rock phosphate, phosphoric acid, potash etc.) and/or the finished goods.

The entire requirement of MOP in the country is met through imports only. MOP is imported for direct application as fertiliser, as well as for manufacture of NPK fertilisers. During the Financial Year 2024-25, imports of MOP for use as fertiliser was 2.43 million MT, as against 1.99 million MT during the previous financial year. The India price of MOP for Financial Year 2024-25 was finalized at USD 283 per MT (CFR India). Sales of MOP for direct application during the Financial Year 2024-25 were 2.20 million MT, compared to 1.64 million MT in the previous year. Due to reduction in prices (MRP), there has been an increase in sales of MOP.

P&K fertilisers comprising of DAP, TSP, MOP, APS and different grades of NPK fertilisers are regulated by the Government of India, which gives subsidy on the quantity sold for agriculture use in terms of the Nutrient Based Subsidy policy of the Government of India. The Company sources DAP, TSP, MOP, APS and different grades of NPK fertilisers from the international market and sells in the domestic market.

C) Crop Protection Chemicals (CPC), Speciality Nutrients (SN) and Biologicals

CPC business in India is largely dominated by manufacturers who cater to domestic and international markets and who manufacture technical grade agrochemicals as well as formulated products such as insecticides, fungicides, herbicides, etc. for agriculture use.

The Company procures CPC from reputed formulators/manufacturers (including international players), which are then sold under the Company's own brands. The Company procures SN from manufacturers of repute in India and abroad, and these products are marketed under the "Uttam" brand umbrella. The focus of the Company is to offer quality products to the farmers, at a reasonable price and under one roof.

The domestic market of CPC (primarily insecticides, fungicides, herbicides) and SN is in the range of Rs. 36,000 Crore, which is likely to grow at 8 - 9% CAGR to touch Rs. 42,000 Crore by the Financial Year 2026-27. The supply of CPC is largely import dependent, which is either technical material and/or intermediates. The CPC business is based on continuous research and introduction of new molecules; however, around 65 - 70% market is captured by generic products, which are developed and are well established over a period.

The Company is now a significant player in the CPC & SN market by leveraging its brand and channel strength.

In the 'Biological Segment', the Company has introduced one new product namely, "UTTAM PRANAAM" (Bio Nano Phosphorus) during the year, which is showing acceptance in the market.

During the year, the Company entered into an Agreement for Research with The Energy and Resources Institute, New Delhi (TERI) for establishment of a research centre namely, "CFCL – TERI Centre of Excellence for Advance and Sustainable Agriculture Solutions" for carrying out research to support the farmer community, soil and climate, advanced formulations of nano fertilizers, biopesticides and, next-gen Ecto Mycorrhiza Fungi & Arbuscular Mycorrhizal Fungi based consortia, specific to climate conditions and/or crop categories. TERI will carry out end-to-end research and develop product(s) to provide biological solutions as a complement to chemical agri-inputs. Aligned with India's BioE3 initiative, this effort aims to support food security, environmental health, and climate resilience. The Centre of Excellence aligns with the Govt's initiative under the PM PRANAM scheme to promote alternative fertilisers and biogenic agri-inputs.

2. Opportunities and Threats

Government schemes and subsidies promote fertiliser usage. Expansion of rural infrastructure and irrigation facilities, growing awareness of micronutrients & speciality fertilisers and rising adoption of digital platforms for agri-input delivery, are going to be the key driver for growth in fertiliser consumption in years to come. Besides own manufactured Urea, the Company's portfolio includes other bulk fertilisers such as DAP, TSP, NPKs and MOP. Long term MOUs and agreements with trusted partners, established brand and channel strength offer an opportunity to grow the volumes of bulk fertilisers, CPC, SN and biologicals business. Increasing demand for NPK fertilisers and availability of imported products also provide opportunity for growth in the NPK segment. The geographical expansion of marketing territory and deeper penetration in existing territory, offer an opportunity to grow the business of marketed products. The new territories have sizeable demand of NPK fertilisers, crop protection chemicals and speciality plant nutrients, which gives opportunity to the Company to grow.

The Company's continued focus on product quality and high level of customer satisfaction is likely to deliver positive results in the future.

The Company is running the marketing campaign "Hamara Naam Hamara Nishaan" to popularize the Company's registered name, so that farmers can easily identify/recall the Company's brand name by logo and its name.

Demand variation due to change in monsoon pattern, availability constraints, volatility in prices of DAP, MOP and NPK fertilisers, and regulation of prices of products by the Government of India, are few challenges which the Company faces in the non-urea fertiliser business. The Company continuously evaluates these factors and strives to mitigate them through dynamic sourcing and pricing of the products.

3. Segment-wise or product-wise performance

Segment-wise performance of the Company on a standalone basis, is summarized below:

(Rs. in Crore)

| Particulars | Financial Year | |
|--|----------------|-----------|
| | 2024-25 | 2023-24 |
| 1. Segment Revenue | | |
| a) Own Manufactured Fertilisers | 13,158.68 | 12,722.65 |
| b) Complex Fertilisers | 2,561.41 | 4,483.30 |
| c) Crop Protection Chemicals and Speciality Nutrients | 926.11 | 760.46 |
| 2. Segment Results | | |
| Profit before Finance Costs and Tax from each Segment: | | |
| a) Own Manufactured Fertilisers | 1,836.00 | 1,500.31 |
| b) Complex Fertilisers | 173.71 | 159.79 |
| c) Crop Protection Chemicals and Speciality Nutrients | 213.63 | 152.80 |

4. Outlook

The strong demand of Company's products in the market, geographical expansion of marketing territory, diversification of business by way of implementation of Technical Ammonium Nitrate plant and timely release of subsidy by the Government of India gives leg room for growth of the Company.

Focused approach on improving product basket and supply chain of CPC and SN is continually contributing to growth of the non-subsidy business. The entry into the seeds business will substantially complete the agri-input profile.

Consistent performance of Urea business shall continue to give stability to the business of the Company. Geographical expansion and deeper penetration in existing marketing territory shall enable the Company to achieve sustainable growth in non-urea fertilisers, CPC and SN space.

5. Risks and Concerns

The fertiliser industry is dependent on the extant policies of the Government of India. The third Urea plant of CFCL was set up under the New Investment Policy 2012, which is effective for eight years from the commencement of production. Changes or delay in notification of policies of the Government of India may, sometime adversely affect the Company. The volatility in the price of marketed fertilisers, coupled with regulation of prices of the products by the Government of India may also adversely impact the Company in the short run.

For urea production beyond Re-assessed Capacity (RAC), as per prevailing policy of Government of India, subsidy is calculated considering cost of natural gas and a fixed cost component (common for the entire industry), which is subject to Import Parity Price (IPP) of urea along with fixed incidental expenses. Therefore, in case of high prices of natural gas on the one hand and low IPP of urea on the other, it may impact production of urea beyond RAC.

Application of CPC depends on weather conditions, pest attacks and cropping patterns, which may vary year by year. SN is exposed to cropping patterns, import prices, supply chain disruptions in international market and affordability of farmers, which also varies from time to time.

6. Internal control systems and their adequacy

The Company has a strong internal control system comprising various levels of authorisation, supervision, checks & balances and procedures through documented policy guidelines and manuals. The Company's internal control systems are adequate and operating effectively. The internal audit department regularly monitors the efficacy of internal controls and compliances with Standard Operating Procedures (SOP) and manuals with the objective of providing to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance that all material transactions are authorized, recorded and reported correctly and policies, laws and regulations are complied with.

The business function heads and managers exercise their control over business processes through operational systems, procedure manuals and financial limits of authority manual. These processes are reviewed and updated, if required to improve their efficacy and meeting business needs.

The internal audit function draws a risk-based annual audit plan which is aligned to the previous year's observations, suggestions from the management and operating managers and auditor. The internal audit programme is approved by the Audit Committee.

The audit approach is based on random sample selection and takes into consideration the generally accepted business practices. The internal audit reports are discussed by the Management Committee and subsequently placed before the Audit Committee along with the directions/action plan recommended by the Management Committee. The directions of the Audit Committee are implemented by the respective departments and Action Taken Report is placed before the Audit Committee.

The Internal Audit Department also assesses opportunities for improvement in business processes, systems and controls, gives recommendations and reviews the implementation of directions issued by the Management, Board of Directors or its Committees.

7. Discussion on financial performance with respect to operational performance

The operational and financial performance of the Company on standalone basis, is summarized below:

| Particulars | Financial Year | |
|---|----------------|-----------|
| | 2024-25 | 2023-24 |
| Urea Production (in Lakh MT) | 34.62 | 33.83 |
| Urea Sales (in Lakh MT) | 34.71 | 32.56 |
| Sales including other Agri-inputs (Rs. in Crore) | 16,646.12 | 17,947.63 |
| Profit before Interest, Depreciation and Tax (Rs. in Crore) | 2,837.59 | 2,428.44 |

Sales of various marketed products are as under:

| Product | Financial Year | |
|---|----------------|---------|
| | 2024-25 | 2023-24 |
| DAP & TSP (in Lakh MT) | 1.86 | 5.56 |
| MOP (in Lakh MT) | 1.65 | 1.54 |
| NPK Fertilisers (in Lakh MT) | 2.13 | 1.56 |
| Crop Protection Chemicals and Speciality Nutrients (Rs. in Crore) | 926.11 | 760.46 |

The Gadepan-III Urea plant underwent planned annual turnaround in February & March 2025. All the three Urea plants operated efficiently, and overall production was higher during the year under review. Urea revenue was higher due to higher quantum of sale, though gas costs were lower as compared to last year.

The revenue from branded marketed products was Rs. 3,487.44 Crore during the Financial Year 2024-25, compared to Rs. 5,224.98 Crore in the previous year. This was lower due to the reduction in volume of P&K fertilisers. In view of headwinds in pricing, DAP volumes remained low; however, all efforts were made to supply DAP, NPK and MOP products to meet the requirement of the channel in the overall interest of farmers of the country.

CPC & SN continued their growth momentum despite challenges. The continued focus on product portfolio, channel width and depth, robust supply chain, capability building of field force and demand generation activities, have enabled the Company to achieve good performance in sale of these products.

Crop-wise product mix, launching new generation products, channel loyalty scheme, increasing market width, demand generation program – ‘Seed to Harvest’ and digital intervention is helping the Company to grow rapidly. In ‘Biological Segments’, the research activities under the Centre of Excellence are progressing well.

During the year under review, the Company achieved revenue of Rs. 926.11 Crore from CPC and SN business, as against Rs. 760.46 Crore in the last year, and this is expected to grow further.

Despite the lower sales volume of P&K fertilisers, on an overall basis, the Company has performed better in the Financial Year 2024-25 by registering higher profits in comparison to last year.

8. Material developments in HR/Industrial Relations front, including number of people employed

In CFCL, human resources are integral to achieving operational excellence, innovation, and long-term sustainability. The Company upholds strong commitment to safety, efficiency, and continuous improvement, with people at the core of its success. As a performance and merit-driven organization, CFCL fosters a culture of accountability, empowerment, and recognition. The Company's HR practices are strategically aligned to attract, develop, and retain high-calibre talent. Structured recruitment, comprehensive onboarding, and clear performance expectations ensure that employees are well-prepared and motivated to deliver their best.

Capability-building remains a key priority. Employees undergo focused technical training, including classroom sessions, and on-the-job exposure, particularly at the manufacturing site. Training needs are periodically assessed, and learning is imparted through leadership development programs, behavioral workshops, coaching sessions, and partnerships with leading institutes. The self-development scheme also encourages employees to pursue relevant certifications and upskill themselves.

The Company's employee engagement and development initiatives have helped maintain high retention levels and a positive and collaborative work environment. As on March 31, 2025, the Company had a permanent employee strength of 1102. Industrial relations across all locations remained positive and collaborative, supported by the Company's strong emphasis on worker well-being, a robust framework of labour compliance, and a culture of mutual respect.

9. Details of significant changes (i.e. change of 25% or more compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor

| Sr. No. | Key Financial Ratio | Financial Year 2024-25 | Financial Year 2023-24 |
|---------|-----------------------------|------------------------|------------------------|
| 1. | Debtors Turnover Ratio | 59.51 | 18.39 |
| 2. | Inventory Turnover Ratio | 9.38 | 12.11 |
| 3. | Interest Coverage Ratio | 51.79 | 12.22 |
| 4. | Current Ratio | 3.07 | 2.00 |
| 5. | Debt Equity Ratio | - | 0.25 |
| 6. | Operating Profit Margin (%) | 15.06 | 11.78 |
| 7. | Net Profit Margin (%) | 9.95 | 7.41 |

There were significant changes in the Debtors Turnover Ratio (224%), Interest Coverage Ratio (324%), Current Ratio (54%), Debt-Equity Ratio (100%), Operating Profit Margin (28%) and Net Profit Margin (34%), compared to the previous financial year. The reasons for these changes are, as under:

(i) **Change in Debtors Turnover Ratio**

Decrease in prices of natural gas, lower volume of complex fertilisers, compensated by higher volume of own manufactured fertilisers contributed to around 7% decrease in the turnover. The average debtors of the Company for the Financial Year 2024-25 were around 71% lower compared to the previous year on account of better collections and subsidy de-escalation due to lower gas prices. Thus, the Debtors Turnover Ratio improved on account of decrease in average debtors, which was partly offset by decrease in the turnover.

(ii) **Change in Interest Coverage Ratio**

Average borrowings during the Financial Year 2024-25 were around 65% lower compared to Financial Year 2023-24 due to prepayment of entire borrowings, resulting into lower interest cost. Further, the Company delivered better financial performance during the Financial Year 2024-25, compared to the last financial year. Both these factors resulted in a higher Interest Coverage Ratio.

(iii) **Change in Current Ratio**

Current assets decreased by around 11% mainly on account of decrease in investment in mutual funds, which was partly compensated by increase in inventories. Current liabilities decreased by around 42%, mainly on account of repayment of borrowings and lower trade payables. These factors resulted into a higher current ratio.

(iv) **Change in Debt Equity Ratio**

During the year under review, the Company repaid its entire borrowings, and as on March 31, 2025, there was no debt.

(v) **Change in Operating Profit Margin**

The turnover for the Financial Year 2024-25 decreased by around 7% mainly on account of lower prices of natural gas, lower quantity of complex fertilisers, compensated by higher volume of own manufactured fertilisers. On the other hand, the performance of the Company improved during the same period, and the finance costs were also lower. All the above factors contributed to a higher operating profit margin.

(vi) **Change in Net Profit Margin**

The turnover of the Company for the Financial Year 2024-25 decreased by around 7% mainly on account of lower prices of natural gas, lower quantity of complex fertilisers, compensated by higher volume of own manufactured fertilisers. On the other hand, the performance of the Company improved during the same period, and the finance costs were also lower. The above factors contributed to a higher net profit margin.

10. Details of change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof

Return on net worth is calculated by dividing profit after tax for the financial year by average net worth during the financial year on standalone basis. The Return on Net Worth during the Financial Year 2024-25 was 21.16%, compared to 19.02% during the Financial Year 2023-24.

The standalone profit after tax of the Company during the Financial Year 2024-25 was higher compared to the previous financial year. This is attributable to improved performance of the Company on account of higher sales volumes of own manufactured urea and better performance of CPC and SN business as compared to the previous year and lower finance costs. Accordingly, the average net worth for the Financial Year 2024-25 was higher compared to the previous year due to higher profit after tax. Despite higher net worth, higher profit after tax has contributed to higher return on net worth during the Financial Year 2024-25 in comparison to the previous year.

**For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited**

Rita Menon
Director
DIN: 00064714

Abhay Bajjal
Managing Director
DIN: 01588087

Place: New Delhi
Date: May 08, 2025

CAUTIONARY STATEMENT

This report may contain certain statements, which the Company believes are, or may be, considered to be "forward-looking statements" that describe its objectives, plans or goals. All these forward-looking statements are subject to certain risks and uncertainties, including but not limited to government action, economic developments, risks inherent to the Company's growth strategy and other factors that could cause the actual results to differ materially from those contemplated by the relevant forward-looking statements.

**Annexure “B” to Board’s Report
CORPORATE GOVERNANCE REPORT**

(1) Company’s philosophy on Code of Governance

Chambal Fertilisers and Chemicals Limited (CFCL/Company) conducts its business with responsibility, integrity, fairness and transparency, taking into account interests of all the stakeholders. The Company is committed to implement good corporate governance practices in its business processes, in the endeavour to create long-term sustainable value for the shareholders.

At CFCL, Corporate Governance goes beyond compliance of the law, and encompasses the framework for adherence to ethical business practices, commitment to CFCL’s values and fulfilling the societal obligations.

(2) Board of Directors

As on March 31, 2025, the Board of Directors comprised of eight Directors, including the Managing Director.

Out of the seven Non-Executive Directors, four are Independent Directors, including one Woman Independent Director. The composition of Board of Directors is appropriately balanced keeping in view the specialization / expertise of the directors in one or more areas. The Board of Directors provides strategic guidance to the Company’s management while discharging its fiduciary responsibility, and oversees that the management follows the acceptable standards of ethics, transparency and disclosures.

The Non-Executive Directors bring an independent perspective, as they have wide view of external factors affecting the Company and its business. The Independent Directors are conversant with the business of the Company, in addition to expertise in their area of specialization. The Company has received declaration from each of the Independent Directors confirming that he/ she meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013, Rules framed thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). In the opinion of the Board of Directors, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management. The Company has issued letter of appointment to the Independent Directors at the time of their appointment, and the terms and conditions of their appointment are hosted on the website of the Company.

The shareholders of the Company, at their 39th Annual General Meeting held on August 27, 2024, approved the re-appointment and continuation of Mr. Saroj Kumar Poddar (DIN: 00008654), who has attained the age of seventy five (75) years, as Director liable to retire by rotation, and re-appointed Mr. Pradeep Jyoti Banerjee (DIN: 02985965) as Independent Director to hold office for second term of 5 (five) consecutive years from December 01, 2024 to November 30, 2029.

During the Financial Year 2024-25, no Independent Director resigned before the expiry of his/her tenure.

The Company has obtained certificate from a company secretary in practice confirming that none of the Directors have been debarred or disqualified from being appointed or continuing as director of companies by the Securities and Exchange Board of India (SEBI)/ Ministry of Corporate Affairs or any such statutory authority. The said certificate is attached as **Annexure “E”** to the Board’s Report.

Mr. Shyam Sunder Bhartia (DIN: 00010484), Director is retiring by rotation at the forthcoming Annual General Meeting scheduled to be held on Tuesday, August 26, 2025 and being eligible, has offered himself for re-appointment.

The tenure of Mr. Abhay Baijal (DIN: 01588087) as Managing Director shall expire on July 20, 2025. The Board of Directors, upon recommendation of Nomination and Remuneration Committee, at its meeting held on February 6, 2025, re-appointed Mr. Abhay Baijal as Managing Director for a period of 3 (three) years w.e.f. July 21, 2025, subject to the approval of the members in the next general meeting.

The tenure of Mrs. Rita Menon (DIN: 00064714) as Independent Director shall expire on September 09, 2025, and being eligible, she has offered herself for re-appointment as Independent Director. The Board of Directors, upon recommendation of Nomination and Remuneration Committee, and considering the other relevant factors, has recommended to the members of the Company, re-appointment of Mrs. Rita Menon as Independent Director, to hold office for second term of 5 (five) consecutive years from September 10, 2025 to September 09, 2030.

Brief resume and other requisite details of the Directors proposed to be appointed/ re-appointed form part of the notice convening ensuing Annual General Meeting to be held on August 26, 2025.

In pursuance of the Listing Regulations, the chart setting out the core skills / expertise/ competencies identified by the Board of Directors which are required in the context of the Company’s business to function effectively, and the Directors who have such skills / expertise / competencies, are as under:

| Name of Director | Skills/ Expertise / Competencies | | | |
|----------------------------|----------------------------------|------------------------|-----------------------------------|---------------------|
| | Corporate Governance | Accounting and Finance | Leadership and General Management | Industry Experience |
| Mr. Saroj Kumar Poddar | √ | √ | √ | √ |
| Mr. Shyam Sunder Bhartia | √ | √ | √ | √ |
| Mr. Chandra Shekhar Nopany | √ | √ | √ | √ |
| Mr. Abhay Baijal | √ | √ | √ | √ |
| Mr. Vivek Mehra | √ | √ | √ | |
| Mr. Pradeep Jyoti Banerjee | √ | √ | √ | √ |
| Mrs. Rita Menon | √ | √ | √ | |
| Mr. Berjis Minoo Desai | √ | √ | √ | |

(3) Meetings and Attendance

Meetings of the Board of Directors and committees thereof are usually held at the Corporate Office of the Company at “Corporate One”, First Floor, 5, Commercial Centre, Jasola, New Delhi – 110025. The Company provides video conferencing facility to enable Directors to participate in meetings of Board of Directors and committees thereof. Meetings of the Board of Directors are generally scheduled to coincide with announcement of quarterly/annual financial results. Additional Board meetings are convened from time to time, as per business requirements. As and when required, resolutions are also passed by circulation, as permitted by law.

During the Financial Year 2024-25, four Board meetings were held on May 07, 2024, August 06, 2024, November 06, 2024 and February 06, 2025. The gap between two consecutive Board meetings did not exceed one hundred and twenty days.

The composition of the Board of Directors, attendance of Directors at the Annual General Meeting held on August 27, 2024 and meetings of Board of Directors held during the Financial Year 2024-25, and number of other directorships of the Directors as well as their membership / chairpersonship of committees of Board of Directors of other Indian public limited companies as on March 31, 2025, are as follows:

| Name of Director | Category of Director | Whether attended Last Annual General Meeting | Number of Board Meetings attended | Number of other Directorships | Membership of Committees of other Board of Directors | |
|----------------------------|----------------------|--|-----------------------------------|-------------------------------|--|--------|
| | | | | | Chairperson | Member |
| Mr. Saroj Kumar Poddar | NED/PG | Yes | 3 | 10 | 0 | 0 |
| Mr. Shyam Sunder Bhartia | NED/PG | Yes | 4 | 12 | 0 | 0 |
| Mr. Chandra Shekhar Nopany | NED/PG | Yes | 4 | 8 | 1 | 0 |
| Mr. Abhay Bajjal | MD | Yes | 4 | 2 | 0 | 0 |
| Mr. Vivek Mehra | NED/ID | Yes | 4 | 9 | 2 | 3 |
| Mr. Pradeep Jyoti Banerjee | NED/ID | Yes | 4 | 14 | 0 | 4 |
| Mrs. Rita Menon | NED/ID | Yes | 4 | 2 | 0 | 1 |
| Mr. Berjis Minoo Desai | NED/ID | No | 3 | 9 | 1 | 4 |

ID - Independent Director, MD - Managing Director, NED - Non-Executive Director, PG - Promoter Group

Notes:

- Other directorships given above exclude directorship in foreign companies.
- In accordance with Regulation 26 of the Listing Regulations, membership / chairpersonship of only Audit Committee and Stakeholders Relationship Committee of other Indian public limited companies have been considered.
- None of Directors are related to each other (as defined under the Companies Act, 2013 and Rules thereunder).

During the year under review, the Independent Directors held a separate meeting without the presence of Non- Independent Directors, in pursuance of applicable statutory and regulatory provisions.

Names of the other listed entities in which Directors of the Company are directors and category of directorships as on March 31, 2025, are as follows:

| S. No. | Name of the Company | Category of Directorship |
|-----------------------------------|--|--------------------------|
| Mr. Saroj Kumar Poddar | | |
| 1. | Paradeep Phosphates Limited | Non-Executive Chairman |
| 2. | Texmaco Rail & Engineering Limited | Executive Chairman |
| 3. | Zuari Agro Chemicals Limited | Non-Executive Chairman |
| 4. | Zuari Industries Limited | Non-Executive Chairman |
| Mr. Shyam Sunder Bhartia | | |
| 1. | Jubilant Foodworks Limited | Non-Executive Chairman |
| 2. | Jubilant Pharmova Limited | Non-Executive Chairman |
| 3. | Jubilant Ingrevia Limited | Non-Executive Chairman |
| Mr. Chandra Shekhar Nopany | | |
| 1. | Avadh Sugar & Energy Limited | Non-Executive Director |
| 2. | Magadh Sugar & Energy Limited | Non-Executive Chairman |
| 3. | New India Retailing & Investment Limited | Non-Executive Chairman |
| 4. | SIL Investments Limited | Non-Executive Chairman |
| 5. | Sutlej Textiles and Industries Limited | Executive Chairman |

| S. No. | Name of the Company | Category of Directorship |
|-----------------------------------|--|-----------------------------|
| Mr. Vivek Mehra | | |
| 1. | DLF Limited | Independent - Non-Executive |
| 2. | Havells India Limited | Independent - Non-Executive |
| 3. | HT Media Limited | Independent - Non-Executive |
| 4. | Jubilant Pharmova Limited | Independent - Non-Executive |
| Mr. Pradeep Jyoti Banerjee | | |
| 1. | Atul Limited | Independent - Non-Executive |
| 2. | Jubilant Ingrevia Limited | Independent - Non-Executive |
| 3. | Whirlpool of India Limited | Independent - Non-Executive |
| Mrs. Rita Menon | | |
| 1. | Paradeep Phosphates Limited | Independent - Non-Executive |
| Mr. Berjis Minoo Desai | | |
| 1. | Inventurus Knowledge Solutions Limited | Non-Executive Chairman |
| 2. | Man Infraconstruction Limited | Non-Executive Chairman |
| 3. | Apollo Tyres Limited | Independent - Non-Executive |
| 4. | The Great Eastern Shipping Company Limited | Non-Executive Director |
| 5. | Emcure Pharmaceuticals Limited | Non-Executive Chairman |
| 6. | Hikal Limited | Independent - Non-Executive |

Mr. Abhay Baijal does not hold directorship in any other listed entity.

(4) Senior Management

As on March 31, 2025, Senior Management of the Company includes the following:

1. Mr. Abhay Baijal, Managing Director
2. Mr. Anil Kapoor, Advisor
3. Mr. Ashish Kumar Srivastava, Vice President - Sales & Marketing
4. Mr. Vivek Misra, Business Head - Technical Ammonium Nitrate (appointed w.e.f. January 9, 2025)
5. Mr. Anand Gupta, Vice President - Strategy
6. Mr. Ajay Tayal, Head - Manufacturing (elevated w.e.f. December 1, 2024)
7. Mr. Anand Agarwal, Chief Financial Officer
8. Mr. Tridib Barat, Vice President - Legal & Company Secretary
9. Mr. Vishal Mathur, Assistant Vice President - Human Resources & Administration
10. Mr. Akash Verma, Assistant Vice President - Projects
11. Mr. Vijay Sachdeva, Head- Internal Audit & Risk Management (appointed w.e.f. February 1, 2025)

Mr. Upendra Rajnarayan Singh resigned from the services of the Company w.e.f. close of business hours on November 30, 2024, and accordingly, ceased to be Vice President - Works from the said date.

Ms. Alpana Juneja retired from the services of the Company w.e.f. close of business hours on January 31, 2025, and accordingly, ceased to be General Manager - Internal Audit from the said date.

Mr. Anand Agarwal resigned from the services of the Company. He ceases to be Chief Financial Officer (Key Managerial Personnel) w.e.f. close of business hours on May 8, 2025 and will be relieved from the services of the Company from close of business hours on May 12, 2025. The Board of Directors, upon recommendation of Nomination and Remuneration Committee, has appointed Mr. Anuj Jain as Chief Financial Officer (Key Managerial Personnel) w.e.f. May 9, 2025.

(5) Board Meeting

The annual calendar of meetings of Board of Directors is released in the beginning of the year. Notice of Board meeting is given in advance, to all the Directors. The Directors are provided the agenda of the meeting, setting out the business to be transacted together with comprehensive notes thereon, to enable them to take informed decisions. Agenda papers are circulated atleast seven days prior to the date of the meeting. Additional/supplementary items, if any, are taken up with the permission of Chairman and consent of the Directors. In cases where it is not practicable to forward/circulate any document alongwith the agenda, the same is circulated/placed at the meeting.

(6) Committees of the Board of Directors

The Board of Directors has constituted its committees, with specific terms of reference, to ensure timely and effective working of the Board of Directors and also to comply with the provisions of the Companies Act, 2013, Rules framed thereunder, Listing Regulations and other applicable regulations, guidelines, circulars and notifications of SEBI.

As at March 31, 2025, there were eight Committees of the Board of Directors, which have been delegated requisite powers to discharge their roles & responsibilities. These Committees are - (i) Audit Committee; (ii) Corporate Social Responsibility Committee; (iii) Nomination and Remuneration Committee; (iv) Stakeholders' Relationship Committee; (v) Risk Management Committee; (vi) Banking and Finance Committee; (vii) Project Monitoring Committee; and (viii) Strategy Committee.

These Committees meet as often as required, considering the business needs, and minutes of meetings of these committees are circulated alongwith the agenda of meeting of Board of Directors.

Brief description of the terms of reference and composition of the above Committees are as follows:

6.1 Audit Committee

(i) Terms of reference:

The terms of reference of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013 and the Listing Regulations. It also discharges such other functions as may be delegated by the Board of Directors from time to time. The terms of reference of the Audit Committee, inter-alia, include oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible; recommending the appointment, remuneration and terms of appointment of auditors of the Company; approval of payment for any other services rendered by the statutory auditors; reviewing with the management and examination of the annual financial statements and the auditor's report thereon before submission to the Board of Directors for approval; reviewing with the management the quarterly financial statements before submission to the Board of Directors for approval; review and monitor the auditor's independence and performance and effectiveness of audit process; approval or any subsequent modification of transactions with related parties including omnibus approval for related party transactions; scrutiny of inter-corporate loans and investments; valuation of undertakings or assets of the Company, wherever necessary; evaluation of internal financial controls and risk management systems; reviewing the performance of statutory and internal auditors and adequacy of the internal control systems, with the management; reviewing the adequacy of internal audit function and formulation of the scope, functioning, periodicity and methodology for conducting the internal audit, in consultation with the internal auditor; discussion with internal auditors of any significant findings and follow up thereon; reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board of Directors; discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern; look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders and creditors; reviewing the functioning of the whistle blower mechanism; approval of appointment of Chief Financial Officer; reviewing the financial statements, in particular, the investments made by the unlisted subsidiary; reviewing the utilization of loans and/ or advances from/investment by the Company in the subsidiary exceeding Rs. 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances / investments; consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and reviewing compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and to verify that the systems for internal control are adequate and are operating effectively.

The Audit Committee is also required to review the management discussion and analysis of financial condition and results of operations, management letters / letters of internal control weaknesses issued by the statutory auditors, internal audit reports, appointment, removal and terms of remuneration of the Chief Internal Auditor and such other matters / information as prescribed under applicable law.

In addition to the above, the Audit Committee reviews the contracts entered in the register maintained under Section 189 of the Companies Act, 2013 and status of material claims filed against the Company.

(ii) Composition:

As on March 31, 2025, all the four Independent Directors were members of Audit Committee. All members of the Audit Committee are financially literate. Mr. Pradeep Banerjee, Chairman of Audit Committee is a seasoned business leader with long and varied experience in the corporate world. He has handled multiple roles, including P&L responsibilities, in a global company. Mr. Vivek Mehra, a Chartered Accountant, Mrs. Rita Menon, a retired senior bureaucrat with decades of experience of heading government departments and organizations and Mr. Berjis Minoo Desai, an eminent corporate lawyer, have accounting and financial management expertise.

Company Secretary is the secretary of the Committee. The permanent invitees to meetings of Audit Committee include Managing Director, Chief Financial Officer, Internal Auditor and representatives of Auditor. The Cost Auditor and other employees are invited to the meetings of Audit Committee, as and when required.

Chairman of Audit Committee was present at the last Annual General Meeting. The Audit Committee met four times during the Financial Year 2024-25 on May 07, 2024, August 05, 2024, November 05, 2024 and February 05, 2025, and the attendance of members at these meetings was as follows:

| Name of the Member | Status | Category | Number of Meetings attended |
|----------------------------|----------|----------------------|-----------------------------|
| Mr. Pradeep Jyoti Banerjee | Chairman | Independent Director | 4 |
| Mr. Berjis Minoo Desai | Member | Independent Director | 3 |
| Mr. Vivek Mehra | Member | Independent Director | 4 |
| Mrs. Rita Menon | Member | Independent Director | 4 |

6.2 Corporate Social Responsibility Committee

(i) Terms of reference:

The terms of reference of the Corporate Social Responsibility (CSR) Committee are as prescribed under the Companies Act, 2013 and the Rules framed thereunder, and it discharges such other functions as may be delegated by the Board of Directors from time to time. The role of CSR Committee includes formulating and recommending to the Board of Directors a CSR Policy and Annual Action Plan in pursuance of CSR Policy, recommending the amount of expenditure to be incurred on CSR projects and programmes and monitoring the CSR Policy from time to time. CSR Committee also reviews periodically the progress of CSR projects/ programmes/ activities undertaken by the Company.

(ii) Composition:

As on March 31, 2025, CSR Committee comprised of three Directors. The Committee met twice during the Financial Year 2024-25 on May 07, 2024 and February 05, 2025, and the attendance of members at these meetings was as follows:

| Name of the Member | Status | Category | Number of Meetings attended |
|----------------------------|----------|------------------------|-----------------------------|
| Mr. Chandra Shekhar Nopany | Chairman | Non-Executive Director | 2 |
| Mrs. Rita Menon | Member | Independent Director | 2 |
| Mr. Abhay Bajjal | Member | Managing Director | 2 |

6.3 Nomination and Remuneration Committee

(i) Terms of reference:

The terms of reference of Nomination and Remuneration Committee are in accordance with the provisions of the Companies Act, 2013 and Listing Regulations. The Committee discharges such other functions as may be delegated by the Board of Directors from time to time.

The role of Nomination and Remuneration Committee includes formulation of the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board of Directors a policy relating to remuneration of Directors, key managerial personnel and other employees of the Company; evaluation of the balance of skills, knowledge and experience on the Board of Directors for every appointment of an Independent Director and on the basis of such evaluation, preparation of a description of the role and capabilities required of an Independent Director; formulation of criteria for evaluation of performance of Directors including Independent Directors and the Board of Directors; specifying the manner for effective evaluation of performance of the Board of Directors, its committees and individual Directors of the Company to be carried out either by the Board of Directors or by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance; devising a policy on diversity of Board of Directors; 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 of Directors their appointment and removal; recommending to the Board of Directors, all remuneration, in whatever form, payable to senior management of the Company; and determining whether to extend or continue the term of appointment of an Independent Director of the Company, on the basis of the report of performance evaluation of Independent Directors of the Company.

The performance evaluation parameters / criteria for Independent Directors, as determined by the Nomination and Remuneration Committee, include level of participation in decision making process, understanding of Company's business and industry, ascertaining and ensuring adequacy and functionality of vigil mechanism, communication with fellow Board members and senior management, striving to safeguard the interest of all stakeholders in particular the minority shareholders, ensuring that adequate deliberations are held before approving related party transactions and assuring themselves that the same are in the interest of the Company, etc.

(ii) Composition:

As on March 31, 2025, the Nomination and Remuneration Committee comprised of three Directors. The Committee met three times during the Financial Year 2024-25 on May 07, 2024, November 06, 2024 and February 05, 2025 and the attendance of members at these meetings was as follows:

| Name of the Member | Status | Category | Number of Meetings attended |
|----------------------------|----------|------------------------|-----------------------------|
| Mr. Vivek Mehra | Chairman | Independent Director | 3 |
| Mr. Pradeep Jyoti Banerjee | Member | Independent Director | 3 |
| Mr. Chandra Shekhar Nopany | Member | Non-Executive Director | 3 |

6.4 Stakeholders' Relationship Committee

(i) **Terms of reference:**

The terms of reference of the Stakeholders Relationship Committee are in accordance with the provisions of Companies Act, 2013 and the Listing Regulations. The Committee discharges such other functions as may be delegated by the Board of Directors from time to time. The role of the Stakeholders Relationship Committee includes resolving grievances of the security holders of the Company; issue of duplicate certificates for securities of the Company; deciding the dates of book closure/ record date in respect of shares and other securities issued by the Company; review of measures taken for effective exercise of voting rights by shareholders; review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent; 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 of the Company; and approve, from time to time, issue of new share certificates, transfer / transmission of shares to Investor Education and Protection Fund Authority or any other statutory body or authority, as may be applicable, and all other matters allied or incidental thereto, in pursuance of the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

In the endeavour to render prompt services to the investors, and expedite the processing of investor requests, the Board of Directors has delegated the requisite powers to the Company's employees to deal with various investor service related matters.

(ii) **Composition:**

As on March 31, 2025, the Stakeholders Relationship Committee comprised of three Directors. Chairperson of Stakeholders Relationship Committee was present at the last Annual General Meeting. The Committee met four times during the Financial Year 2024-25 on May 06, 2024, August 06, 2024, November 06, 2024 and January 31, 2025 and the attendance of members at these meetings was as follows:

| Name of the Member | Status | Category | Number of Meetings attended |
|----------------------------|-------------|----------------------|-----------------------------|
| Mrs. Rita Menon | Chairperson | Independent Director | 4 |
| Mr. Pradeep Jyoti Banerjee | Member | Independent Director | 4 |
| Mr. Abhay Bajjal | Member | Managing Director | 4 |

(iii) **Name, designation and address of the Compliance Officer**

Mr. Tridib Barat

Vice President- Legal & Company Secretary

Chambal Fertilisers and Chemicals Limited

"Corporate One", First Floor,

5, Commercial Centre, Jasola,

New Delhi -110 025

Telephone : 91 11 41697900

Fax : 91 11 40638679

E-mail : complianceofficer@chambal.in

(iv) **Shareholders' complaints received and redressed during the Financial Year:**

As on March 31, 2025, the Company had 2,34,202 shareholders. During the Financial Year 2024-25, the status of investor complaints was as follows:

| No. of Investor Complaints | | | |
|--------------------------------------|----------|-----------|------------------------------|
| Opening Balance as on April 01, 2024 | Received | Redressed | Pending as on March 31, 2025 |
| 4 | 278 | 270 | 12* |

*Since redressed

6.5 Risk Management Committee

(i) **Terms of reference:**

The terms of reference of Risk Management Committee are in accordance with the provisions of the Listing Regulations. The Committee discharges such other functions as may be delegated by the Board of Directors from time to time.

The role of the Risk Management Committee includes formulation of a detailed Risk Management Policy; ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company; monitoring and overseeing implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems; periodically reviewing the Risk Management Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity; keeping the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken; and reviewing the appointment, removal and terms of remuneration of the Chief Risk Officer (if any).

(ii) **Composition:**

As on March 31, 2025, the Risk Management Committee comprised of three Directors. The Committee met two times during the Financial Year 2024-25 on July 23, 2024 and January 15, 2025 and the attendance of members at these meetings was as follows:

| Name of the Member | Status | Category | Number of Meetings attended |
|----------------------------|----------|----------------------|-----------------------------|
| Mr. Vivek Mehra | Chairman | Independent Director | 2 |
| Mr. Pradeep Jyoti Banerjee | Member | Independent Director | 2 |
| Mr. Abhay Bajjal | Member | Managing Director | 2 |

6.6 Banking and Finance Committee

(i) Terms of reference:

The Banking and Finance Committee was constituted to approve availment of various types of finances and any other specific matters delegated by the Board of Directors of the Company from time to time.

(ii) Composition:

As on March 31, 2025, the Banking and Finance Committee comprised of four Directors. No meeting of the Banking and Finance Committee was held during the Financial Year 2024-25. The composition of the Committee as on March 31, 2025 was as follows:

| Name of the Member | Status | Category |
|----------------------------|----------|------------------------|
| Mr. Shyam Sunder Bhartia | Chairman | Non-Executive Director |
| Mr. Chandra Shekhar Nopany | Member | Non-Executive Director |
| Mr. Vivek Mehra | Member | Independent Director |
| Mr. Abhay Baijal | Member | Managing Director |

6.7 Project Monitoring Committee

(i) Terms of reference:

Project Monitoring Committee was constituted to review progress of various projects of the Company. The Committee is also authorized to finalise and approve contracts and other matters, deeds and things in relation to the Technical Ammonium Nitrate project.

(ii) Composition:

As on March 31, 2025, the Project Monitoring Committee comprised of three Directors. No meeting of the Project Monitoring Committee was held during the Financial Year 2024-25. The composition of the Committee as on March 31, 2025 was as follows:

| Name of the Member | Status | Category |
|----------------------------|----------|------------------------|
| Mr. Chandra Shekhar Nopany | Chairman | Non-Executive Director |
| Mr. Pradeep Jyoti Banerjee | Member | Independent Director |
| Mr. Abhay Baijal | Member | Managing Director |

6.8 Strategy Committee

(i) Terms of reference:

The terms of reference of Strategy Committee include evaluation of options, proposals and projects for inorganic and organic growth and expansion of the business of the Company and make necessary recommendation to the Board of Directors in this regard from time to time, and appointment of legal, tax, financial, management and other consultants for advising the Company in respect of growth and expansion of the business of the Company.

(ii) Composition:

As on March 31, 2025, the Strategy Committee comprised of four Directors. No meeting of the Strategy Committee was held during the Financial Year 2024-25. The composition of the Committee as on March 31, 2025 was as follows:

| Name of the Member | Status | Category |
|----------------------------|----------|------------------------|
| Mr. Shyam Sunder Bhartia | Chairman | Non-Executive Director |
| Mr. Chandra Shekhar Nopany | Member | Non-Executive Director |
| Mr. Pradeep Jyoti Banerjee | Member | Independent Director |
| Mr. Abhay Baijal | Member | Managing Director |

(7) Details of remuneration paid to Directors during the Financial Year 2024-25

7.1 Executive Director

(Amount in Rs.)

| Name | Designation | Salary | Performance Bonus | Value of Perquisites as per Income Tax Act, 1961 | *Others - Retirement Benefits & Other Perquisites |
|------------------|-------------------|-------------|-------------------|--|---|
| Mr. Abhay Baijal | Managing Director | 2,31,02,235 | 55,00,000 | 2,50,000 | 14,33,102 |

* The liability for leave encashment and post-retirement medical benefits are provided on actuarial basis, and determined for the Company as a whole, rather than for each of the individual employees. Accordingly, these liabilities cannot be ascertained separately for the Managing Director, hence not included above.

Notes:

- (i) The tenure of Mr. Abhay Bajjal as Managing Director shall come to an end on July 20, 2025. The Board of Directors, at its meeting held on February 6, 2025, re-appointed Mr. Abhay Bajjal as Managing Director for a period of 3 (three) years w.e.f. July 21, 2025, subject to the approval of the members in the next general meeting. The term of appointment of Mr. Abhay Bajjal can be terminated by either party by giving ninety days' written notice to other party.
- (ii) No sitting fee or severance fee is payable to Mr. Abhay Bajjal.
- (iii) The performance bonus payable/paid to Managing Director is determined by the Board of Directors considering the recommendation of Nomination and Remuneration Committee based on performance of the Company and other relevant factors.

7.2 Non - Executive Directors

During the year ended March 31, 2025, the Company paid sitting fee to Non-executive Directors for attending meetings of the Board of Directors and committees thereof @ Rs. 50,000 per meeting of the Board & Audit Committee and @ Rs. 25,000 per meeting for other committees (revised from Rs. 15,000 per meeting w.e.f. May 8, 2024).

The shareholders of the Company, at their Annual General Meeting held on August 27, 2024, had approved payment of commission to Non-Executive Directors during the period of 5 financial years commencing from April 01, 2025 subject to the aggregate limit of one percent of the net profit of the Company in any financial year and the commission payable to Non-Executive Director not to exceed Rs. 17,50,000 per financial year. In pursuance of the approval of the shareholders and considering the recommendation of Nomination and Remuneration Committee, the Board of Directors determined the commission payable to each Director for the Financial Year 2024-25 based on the criteria of time devoted and contribution made by individual Directors, to the affairs of the Company.

Details of sitting fee paid and commission payable to the Directors are as follows:

| S. No. | Name of the Director | Sitting Fee Paid (Rs.) | Commission payable for the Financial Year 2024-25 (Rs.) |
|--------|----------------------------|------------------------|---|
| 1. | Mr. Saroj Kumar Poddar | 1,50,000 | 17,50,000 |
| 2. | Mr. Shyam Sunder Bhartia* | - | 17,50,000 |
| 3. | Mr. Chandra Shekhar Nopany | 3,05,000 | 17,50,000 |
| 4. | Mr. Vivek Mehra | 5,15,000 | 17,50,000 |
| 5. | Mr. Pradeep Jyoti Banerjee | 6,05,000 | 17,50,000 |
| 6. | Mrs. Rita Menon | 5,30,000 | 17,50,000 |
| 7. | Mr. Berjis Minoo Desai | 3,00,000 | 17,50,000 |

*No sitting fee was paid to Mr. Shyam Sunder Bhartia during the Financial Year 2024-25, as he has voluntarily opted not to draw sitting fee.

There was no other pecuniary relationship or transaction with the Non-Executive Directors.

(8) Board Diversity Policy

A diverse Board of Directors is imperative in view of globalization of business, rapid deployment of technology, greater social responsibility, ever increasing emphasis on corporate governance and increasing need for risk management. Members of the Board of Directors are drawn from different fields which enables the Company to keep pace with changing business dynamics and provides financial, reputational and qualitative benefits. The Board of Directors has adopted the "Board Diversity Policy" which sets out the basic guidelines to constitute a diverse Board of Directors that can, *inter alia*, draw upon a range of perspectives, experience and knowledge.

(9) Performance Evaluation

In pursuance of the provisions of the Companies Act, 2013 and the Listing Regulations, the Company has laid down the 'Performance Evaluation Policy'. The said policy outlines the process for effective evaluation of performance of the Board of Directors, the committees thereof, Chairman and the individual Directors. The Nomination and Remuneration Committee finalizes the questionnaires containing different parameters to evaluate the performance of Board of Directors and its committees, Chairman and the individual Directors.

As per the Performance Evaluation Policy, the evaluation of performance of the Board of Directors as a whole, Committees of the Board of Directors, Chairman and the individual Directors was carried out for the Financial Year 2024-25. The Independent Directors, in their separate meeting, carried out evaluation of the Board of Directors as a whole, Chairman and Non-Independent Directors, and briefed the Board of Directors in this regard.

Based on the responses to the questionnaires received from the Directors and considering the evaluations carried out by Independent Directors, the Board of Directors evaluated its own performance as well as performance of its committees and individual Directors, including Independent Directors.

(10) Vigil Mechanism

The Company has established a vigil mechanism for Directors, employees and other stakeholders to report concerns about unethical behavior, actual or suspected fraud, violation of the Company's "Code of Conduct and Ethics" or leak of Unpublished Price Sensitive Information of the Company. The vigil mechanism provides adequate safeguard against victimization of the Directors and the employees

who avail the mechanism and also provides for direct access to Chairman of the Audit Committee in appropriate or exceptional cases. No personnel was denied access to the Audit Committee during the Financial Year 2024-25. The Whistle Blower Policy is available on the website of the Company at the weblink: <https://chambalfertilisers.com/pdf/Whistle-Blower-Policy.pdf>.

(11) Related Party Transactions

During the Financial Year 2024-25, there were no materially significant transactions with related parties that may have potential conflict with the interest of the Company at large. The Company has formulated a policy on dealing with related party transactions, which has been uploaded on the website of the Company and can be accessed at the weblink: https://www.chambalfertilisers.com/pdf/Policy_on_Related_Party_Transactions.pdf

(12) Fees paid to Auditors and firms / entities in its network

The details of fee paid/payable by the Company for the Financial Year 2024-25 to M/s. Price Waterhouse Chartered Accountants LLP, Auditor are as under:

| Particulars | Amount* (Rs. in Crore) |
|---|------------------------|
| Audit Fee | 0.59 |
| Fee for limited review of quarterly results | 0.30 |
| Tax Audit Fee | 0.07 |
| Fees for issue of various certificates | 0.24 |
| Out of pocket expenses | 0.07 |
| Total | 1.27 |

* The amount is exclusive of taxes.

The Company did not pay fee to any entity in the network firm of the Auditor or to any network entity of which Auditor is a part. No fee was paid/payable by the Company's subsidiaries to M/s. Price Waterhouse Chartered Accountants LLP, Auditor or the entities in the network firm of the Auditor or the network entity of which the Auditor is a part, during the Financial Year 2024-25.

(13) Credit Ratings

The details of the Credit Ratings assigned to the Company as on March 31, 2025 are as under:

| Type of Facility/ Programme | Amount (Rs. in Crore) | Credit Rating by CRISIL Ratings Limited | Credit Rating by ICRA Limited |
|--|-----------------------|---|-------------------------------|
| Commercial Paper Programme | 4,500.00 | CRISIL A1+ | [ICRA] A1+ |
| Bank Loan Facilities (Long Term Rating) | 8,573.56# | CRISIL AA+/Stable# | - |
| Bank Loan Facilities (Short Term Rating) | 4,720.00 | CRISIL A1+ | - |

#CRISIL Ratings Limited, vide its letter dated April 24, 2025, has revised the outlook for long term bank loan facilities as under:

| Type of Facility/ Programme | Amount (Rs. in Crore) | Credit Rating by CRISIL Ratings Limited |
|--|-----------------------|---|
| Bank Loan Facilities (Long Term Rating) | 4,000.00 | CRISIL AA+/Positive |
| Proposed Bank Loan facilities (Long Term Rating) | 4,573.56 | CRISIL AA+/Positive |

(14) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

14.1 Commodity Risk

(i) Risk Management Policy of the Company with respect to commodities

SEBI vide its master circular dated November 11, 2024 pertaining to disclosure regarding commodity risk has prescribed that all listed entities shall make uniform disclosures regarding commodity risk and hedging activities in the Corporate Governance Report section of the Annual Report. The disclosure pertaining to exposure and commodity risks may apply only for those commodities where the exposure of the Company in the particular commodity is material.

As per Risk Management Policy of the Company, which is approved by the Board of Directors, for the purpose of the above disclosure, the exposure of the Company in a particular commodity shall be considered material if the total expenditure on such commodity exceeds 10% of the total expenses of the Company, as per the last audited financial statements of the Company.

As per the above policy, the Company has material exposure in Natural Gas.

The mitigating factors in respect of commodity risk are described below in para 14.1(iii) hereof.

(ii) **Exposure of the Company to aforesaid commodity and commodity risks faced by the Company throughout the Financial Year 2024-25**

- a. Total exposure of the Company to aforesaid commodity - Rs. 9,898.23 Crore
- b. Exposure of the Company to the aforesaid commodity is as under:

| Commodity Name | Exposure in INR towards the particular commodity (Rs. in Crore) | Exposure in Quantity terms towards the particular commodity | % of such exposure hedged through commodity derivatives | | | | |
|----------------|---|---|---|----------|----------------------|----------|-------|
| | | | Domestic Market | | International Market | | Total |
| | | | OTC | Exchange | OTC | Exchange | |
| Natural Gas | 9,898.23 | 2140.78 Million Standard Cubic Meters | NIL | NIL | NIL | NIL | NIL |

(iii) **Commodity Risks faced by the Company during the Financial Year 2024-25 and how they have been managed**

Natural Gas is the major raw material for manufacture of Urea. The prices of natural gas are mostly linked to international crude oil prices and vary with fluctuation in prices of crude oil, demand supply pattern, etc. A part of natural gas quantity required by the Company has been purchased at fixed price. As per the guidelines for pooling of gas in fertiliser (Urea) sector issued by the Government of India, natural gas is available to the Urea manufacturers at uniform price. The cost of natural gas is considered appropriately by the Government of India while determining subsidy on Urea, payable to the Company. The Company did not enter into any transaction for hedging the fluctuations in price of natural gas.

14.2 Foreign Exchange Risk

The foreign exchange risk of the Company arises mainly out of import of fertilisers and foreign currency borrowings.

The long term borrowings of the Company comprise of External Commercial Borrowings/ Foreign Currency Term Loans availed for financing the third Urea plant at Gadepan (Gadepan-III Plant). The repayment of these borrowings had commenced during the Financial Year 2019-20. During the Financial Year 2024-25, the Company made prepayment of these borrowings. The revenue from Gadepan-III Plant is linked to US Dollars in terms of New Investment Policy 2012 of the Government of India. Accordingly, the Company has natural cover against fluctuation of foreign exchange rates and did not enter into transactions to hedge foreign exchange risk in respect of aforesaid foreign currency borrowings.

In order to mitigate the foreign exchange risk in respect of imported fertilisers, the Company continuously monitors its foreign exchange exposure and hedges its foreign exchange risk in this regard, to the extent considered necessary, through forward contracts and option structures. As on March 31, 2025, the major portion of foreign exchange exposure of the Company in respect of imported fertilisers was hedged by the Company through foreign exchange hedging transactions. The details of foreign currency risk and hedging activities are given in the Notes to Financial Statements.

(15) Shareholding of Directors as on March 31, 2025

| Name | Number of Shares held |
|-----------------------------|-----------------------|
| Mr. Saroj Kumar Poddar | 7,00,000 |
| Mr. Shyam Sunder Bhartia | NIL |
| Mr. Chandra Shekhar Nopany* | 2,80,192 |
| Mr. Abhay Baijal | NIL |
| Mr. Vivek Mehra | NIL |
| Mr. Pradeep Jyoti Banerjee | NIL |
| Mrs. Rita Menon | NIL |
| Mr. Berjis Minoo Desai | NIL |

* In addition, Chandra Shekhar Nopany HUF holds 2,31,760 equity shares, Mr. Chandra Shekhar Nopany on behalf of Shruti Family Trust and Shekhar Family Trust, holds 966 equity shares and 1,35,14,611 equity shares, respectively as on March 31, 2025.

(16) General Body Meetings

16.1 The last three Annual General Meetings of the Company were held as under:

| Financial Year | Date | Time | Location |
|----------------|------------|------------|--|
| 2023-24 | 27.08.2024 | 1030 Hours | Through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and deemed venue: Registered Office of the Company at Gadepan, District Kota, Rajasthan |
| 2022-23 | 12.09.2023 | 1030 Hours | |
| 2021-22 | 13.09.2022 | 1030 Hours | |

16.2 The details of shareholders' approval by way of special resolutions in the previous three annual general meetings, are as under:

| Date of Annual General Meeting | Nature of approval |
|--------------------------------|---|
| August 27, 2024 | 1. Re-appointment of Mr. Pradeep Jyoti Banerjee as Independent Director for second term of five consecutive years from December 01, 2024 to November 30, 2029. 2. Re-appointment of Mr. Saroj Kumar Poddar as Director of the Company, who had attained the age of 75 years, retiring by rotation and, being eligible, offered himself for re-appointment. |
| September 12, 2023 | Re-appointment of Mr. Vivek Mehra as Independent Director for second term of five consecutive years from September 18, 2023 to September 17, 2028. |
| September 13, 2022 | Appointment of Mr. Berjis Minoo Desai as Independent Director for a term of five consecutive years from September 13, 2022 to September 12, 2027. |

16.3 No shareholders' approval was obtained through postal ballot during the Financial Year 2024-25.

16.4 There is no immediate proposal for passing resolution by way of postal ballot. In case a resolution is proposed to be passed through postal ballot, the procedure of postal ballot and other requisite details shall be provided in the postal ballot notice.

(17) Disclosures

17.1 No penalties or strictures have been imposed on the Company by stock exchanges or SEBI or any other statutory authority for non-compliance by the Company, on any matter related to capital markets, during the last three years.

17.2 The Company is compliant with the corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations, as applicable and compliance reports on Corporate Governance in the requisite formats, have been submitted to the concerned stock exchanges within the prescribed time.

17.3 The Company has formulated a "Policy for determining Material Subsidiaries" which is available on the website of the Company (www.chambalfertilisers.com) and can be accessed on the weblink: <https://www.chambalfertilisers.com/pdf/Policy-for-determining-Material-Subsidiary.pdf>.

17.4 The "Dividend Distribution Policy" has been uploaded on the website of the Company (www.chambalfertilisers.com) and can be accessed on the weblink: <https://www.chambalfertilisers.com/pdf/Final-Dividend-Distribution-Policy.pdf>.

17.5 The details of familiarization programmes imparted to Independent Directors are available on the website of the Company and can be accessed at the weblink: <https://www.chambalfertilisers.com/pdf/Familiarization-Programmes-for-Independent-Directors-2025.pdf>.

17.6 The Company has complied with the mandatory requirements relating to Corporate Governance as prescribed in the Listing Regulations.

17.7 The Company has adopted the following discretionary requirements under Regulation 27(1) of the Listing Regulations relating to:

- Maintenance of office of Non-Executive Chairman at Company's expense;
- Unmodified audit opinion on financial statements of the Company; and
- Separate posts of the Chairman and the Managing Director and Chairman is a Non Executive Director and not related to the Managing Director of the Company.

17.8 All recommendations made by the committees of the Board of Directors during the Financial Year 2024-25 were accepted by the Board of Directors.

17.9 No complaint was filed with the Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the Financial Year ended March 31, 2025. Further, no complaint was pending with the Company as at the beginning and end of the Financial Year 2024-25 under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

17.10 The Company does not have any material subsidiary as per the provisions of the Listing Regulations.

17.11 The Company and its subsidiaries have not provided any loans and advances in the nature of loans to firms/companies in which Directors are interested.

17.12 During the year under review, there was no agreement covered under clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations.

(18) Means of Communication

18.1 The Company interacts with the shareholders through various channels of communication such as publication of financial results on quarterly, half-yearly and annual basis in the national and vernacular dailies (such as Business Standard, Rajasthan Patrika and Dainik Bhaskar, Rashtrdoot, Financial Express, Jansatta), Annual Report, e-mails and the Company's website.

18.2 The quarterly financial results, shareholding pattern, corporate governance reports, intimation of Board meetings, etc. are filed with the stock exchanges through NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre.

18.3 The quarterly results are also posted on the website of the Company at www.chambalfertilisers.com. The investors can also access on the website, Annual Reports, various policies of the Company, details of unpaid dividend, composition of various committees of the Board of Directors, terms & conditions of appointment of Independent Directors, details of various services provided to investors, guidance and procedure to be followed by investors for transmission of securities, de-materialisation of shares, details of shares to be transferred to the Investor Education and Protection Fund, etc.

18.4 Transcripts and recordings of earning calls with the investors/analysts, record of meetings with analysts/investors, presentation to analysts/investors and official news releases, if any, are uploaded on the website of the Company.

18.5 Management Discussion and Analysis Report forms part of the Board's Report.

(19) Code of Conduct and Ethics

The Company has adopted the Code of Conduct and Ethics which is available on the website of the Company (www.chambalfertilisers.com). The objective of the Code of Conduct and Ethics is to conduct the Company's business ethically and with responsibility, integrity, fairness, transparency and honesty.

This Code of Conduct and Ethics sets out the policy for conduct in dealing with the Company, fellow directors and employees and with the external environment in which the Company operates.

The declaration given by Managing Director affirming compliance of the Code of Conduct and Ethics by the Directors and Senior Management Personnel of the Company during the Financial Year 2024-25 is enclosed as **Annexure "C"** to Board's Report.

(20) General Shareholders' Information

20.1 40th Annual General Meeting

Venue : 40th Annual General Meeting will be held through VC or OAVM as permitted by the concerned government/regulatory authorities, and the deemed venue of the Annual General Meeting shall be the Registered Office of the Company at Gadepan, District Kota, Rajasthan, PIN – 325 208

Time : 10.30 A.M. Indian Standard Time

Day & Date : Tuesday, August 26, 2025

20.2 Financial Year : April to March

20.3 Tentative Financial Calendar :

| Event | Date |
|---|---------------|
| Audited Annual Results (Financial Year 2024-25) | May 08, 2025 |
| Mailing of Annual Report* | August 2025 |
| First Quarter Results | July 2025 |
| Half Yearly Results | November 2025 |
| Third Quarter Results | February 2026 |
| Audited Annual Results (Financial Year 2025-26) | May 2026 |

*In compliance with the General Circular no. 09/2024 dated September 19, 2024 read with General Circular no. 09/2023 dated September 25, 2023, General Circular no. 10/2022 dated December 28, 2022, General Circular no. 2/2022 dated May 05, 2022, General Circular no. 02/2021 dated January 13, 2021, General Circular no. 20/2020 dated May 05, 2020, General Circular no. 17/2020 dated April 13, 2020 and General Circular no. 14/2020 dated April 08, 2020 issued by Ministry of Corporate Affairs and Circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024 read with Master Circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 issued by SEBI, the Annual Report for the Financial Year 2024-25 and notice of 40th Annual General Meeting of the Company will be sent to the members only through email registered with the Company or with the depository participant/depositories. These documents will also be available on the website of the Company at www.chambalfertilisers.com.

20.4 Record Date

August 5, 2025 (Tuesday) has been fixed as record date for determining the eligibility of shareholders for payment of final dividend on equity shares for the Financial Year 2024-25, if declared at the forthcoming Annual General Meeting.

20.5 Dividend Payment Date

The Board of Directors declared an interim dividend of Rs. 5 (i.e. @ 50%) per equity share of Rs. 10 each of the Company during the Financial Year 2024-25, which was paid on December 03, 2024. The Board of Directors have recommended final dividend of Rs. 5 (i.e. @ 50%) per equity share of Rs. 10 each of the Company for the Financial Year 2024-25, which, if declared by the shareholders at the ensuing Annual General Meeting, shall be paid within 30 (thirty) days from the date of declaration of dividend.

20.6 Listing on Stock Exchanges

Name and address of the stock exchanges at which the equity shares of the Company are listed are as under:

| Sl. No. | Name of the Stock Exchange |
|---------|---|
| 1. | BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 |
| 2. | National Stock Exchange of India Limited (NSE) Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 |

The Company has paid annual listing fees for the Financial Year 2025-26 to BSE and NSE.

20.7 Registrar to an issue & Share Transfer Agent (RTA) and Share Transfer System

M/s. Zuari Finserv Limited is the Company's RTA. All communications regarding shares, dividends, change of address, etc., may be addressed to:

M/s. Zuari Finserv Limited

Plot No.2, Zamrudpur Community Centre, Kailash Colony Extension,
New Delhi - 110 048

Tel. : 91-11-46474000

E-mail : rta@adventz.zuarimoney.com

The dematerialized shares are directly transferred to the beneficiaries by the depositories.

The RTA has an online computerized system for processing requests of the shareholders. The designated officials of the Company are authorised to approve transmission of shares and other relevant requests of shareholders after they are processed by the RTA. In pursuance of Regulation 40 of the Listing Regulations, the processing of requests for effecting transfer of shares held in physical form was discontinued and transmission or transposition of securities is effected only in dematerialized form w.e.f. January 24, 2022.

20.8 Address for Correspondence:

The Investors send their correspondence either to RTA at the aforesaid address or at the Company's Investor Service Centre at the following address:

Chambal Fertilisers and Chemicals Limited

Investor Service Centre

"Corporate One", First Floor,

5, Commercial Centre,

Jasola, New Delhi - 110 025

Tel : +91 11 - 41697900

Fax : +91 11 - 40638679

E-mail : isc@chambal.in

Website : www.chambalfertilisers.com

20.9 Dematerialisation of Shares and Liquidity

The equity shares of the Company are compulsorily traded in dematerialised form and the Company has signed agreement with both the Depositories i.e. National Securities Depositories Limited and Central Depository Services (India) Limited. As on March 31, 2025, 97.37% of the total equity share capital of the Company was held in dematerialised form.

20.10 Details of Unpaid Dividend

The details of amount lying in the unpaid dividend accounts of the Company are as under:

| Dividend Year | Amount lying in Unpaid Dividend Account as on March 31, 2025 (in Rs.) | Due date for transfer to Investor Education and Protection Fund ("IEPF") |
|------------------------------|---|--|
| 2017-2018 | 1,29,42,382.89 | 21.10.2025 |
| 2018-2019 | 1,23,88,108.59 | 28.10.2026 |
| 2019-2020 (Interim Dividend) | 2,73,18,549.50 | 07.04.2027 |
| 2020-2021 (Interim Dividend) | 1,58,02,747.18 | 06.12.2027 |
| 2020-2021 (Final Dividend) | 2,10,21,192.49 | 18.10.2028 |
| 2021-2022 (Interim Dividend) | 1,83,89,263.44 | 02.03.2029 |
| 2021-2022 (Final Dividend) | 1,57,89,785.68 | 17.10.2029 |
| 2022-2023 (Interim Dividend) | 1,98,16,301.94 | 12.03.2030 |
| 2022-2023 (Final Dividend) | 1,21,31,063.22 | 15.10.2030 |
| 2023-2024 (Interim Dividend) | 1,63,63,391.28 | 04.12.2030 |
| 2023-2024 (Final Dividend) | 2,87,05,442.00 | 26.09.2031 |
| 2024-2025 (Interim Dividend) | 4,14,52,449.00 | 11.12.2031 |

Pursuant to Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the dividend which remains unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account of the Company, is required to be transferred to IEPF. Further, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more are required to be transferred by the Company to the demat account of IEPF Authority.

During the Financial Year ended March 31, 2025, the Company transferred unpaid dividend of Rs. 1,82,57,549 for the Financial Year 2016-17 to IEPF and also transferred 3,27,554 equity shares to the demat account of IEPF Authority in respect of which the dividend was unpaid/unclaimed for the last seven consecutive years. In all, 62,72,165 equity shares of the Company were lying in the Demat Account of IEPF Authority as on March 31, 2025.

20.11 Transfer of shares in Unclaimed Suspense Account / Suspense Escrow Account

The Company has transferred to the 'Unclaimed Suspense Account', unclaimed equity shares which were issued in physical form from time to time.

In pursuance of SEBI circular, the Company has transferred shares to 'Suspense Escrow Account' in cases where demat request was not received from the securities holder/claimant within 120 days from the date of issuance of Letter of Confirmation by the Company. The relevant details are as under:

| Particulars | Unclaimed Suspense Account | | Suspense Escrow Account | |
|---|----------------------------|---------------|-------------------------|---------------|
| | No. of Shareholders | No. of Shares | No. of Shareholders | No. of Shares |
| Aggregate number of shareholders and outstanding shares in the Suspense Account(s) lying as on April 1, 2024 | 5 | 3,500 | 6 | 3,200 |
| Number of shareholders who approached Company for transfer of shares from Suspense Account(s) during the Financial Year 2024-25 | - | - | 4 | 2,100 |
| Number of shareholders to whom shares were transferred from Suspense Account(s) during the Financial Year 2024-25. | - | - | 3 | 1,000 |
| Number of shareholders whose shares were transferred to Suspense Account(s) during the Financial Year 2024-25 | - | - | 1 | 200 |
| Aggregate number of shareholders and outstanding shares in the Suspense Account(s) lying as on March 31, 2025 | 5 | 3,500 | 4 | 2,400 |

Voting rights on the shares standing in the Unclaimed Suspense Account shall remain frozen till the rightful owner of such shares claim the shares.

20.12 Distribution of Shareholding and Shareholding Pattern

Distribution of shareholding as on March 31, 2025 is as follows:

| No. of Equity Shares held | No. of shareholders | Percentage of total shareholders | No. of shares held | Percentage of total shares |
|---------------------------|---------------------|----------------------------------|---------------------|----------------------------|
| 1 to 500 | 2,19,507 | 93.72 | 1,88,60,916 | 4.72 |
| 501 to 1000 | 8,492 | 3.63 | 70,93,611 | 1.77 |
| 1001 to 5000 | 5,078 | 2.17 | 1,05,56,645 | 2.63 |
| 5001 to 10000 | 499 | 0.21 | 36,50,724 | 0.91 |
| 10001 to 100000 | 419 | 0.18 | 1,25,20,223 | 3.12 |
| 100001 to 500000 | 129 | 0.06 | 3,03,30,488 | 7.57 |
| 500001 & above | 78 | 0.03 | 31,76,39,690 | 79.28 |
| Total | 2,34,202 | 100.00 | 40,06,52,297 | 100.00 |

Shareholding pattern as on March 31, 2025 is as under:

| Category | No. of shares held | Shareholding (%) |
|------------------------------|---------------------|------------------|
| Promoters and Promoter Group | 24,20,11,277 | 60.40 |
| Institutions | 9,92,66,449 | 24.78 |
| Non Institutions | 5,93,74,571 | 14.82 |
| Total | 40,06,52,297 | 100.00 |

Details of Top 10 shareholders of the Company as on March 31, 2025 are as under:

| S. No. | Name | No. of shares held* | % of issued share capital |
|--------|---|---------------------|---------------------------|
| 1 | The Hindustan Times Limited | 5,72,20,071 | 14.28 |
| 2 | Zuari Industries Limited | 5,69,64,966 | 14.22 |
| 3 | SIL Investments Limited | 3,26,19,484 | 8.14 |
| 4 | Earthstone Holding (Two) Private Limited | 1,42,59,300 | 3.56 |
| 5 | Chandra Shekhar Nopany (Shekhar Family Trust) | 1,35,14,611 | 3.37 |
| 6 | HDFC Small Cap Fund and its Associate Funds | 97,55,831 | 2.43 |
| 7 | Earthstone Investment & Finance Limited | 81,18,866 | 2.03 |
| 8 | Yashovardhan Investment & Trading Co. Ltd. | 76,15,422 | 1.90 |
| 9 | Ronson Traders Limited | 69,01,612 | 1.72 |
| 10 | Uttam Commercial Ltd. | 65,63,964 | 1.64 |

*Shareholding is consolidated basis Permanent Account Number (PAN) of the shareholder.

20.13 Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity – NIL

20.14 Location of the Plants

Gadepan, District Kota, Rajasthan, India, PIN – 325 208.

**For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited**

Place : New Delhi
Date : May 08, 2025

Rita Menon
Director
DIN: 00064714

Abhay Baijal
Managing Director
DIN: 01588087

Annexure “C” to Board’s Report
DECLARATION OF MANAGING DIRECTOR

In pursuance of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Abhay Baijal, Managing Director of Chambal Fertilisers and Chemicals Limited, declare that the members of Board of Directors and senior management personnel of the Company have affirmed their compliance with the Code of Conduct and Ethics of the Company during the financial year 2024-25.

Place : New Delhi
Date : May 08, 2025

Abhay Baijal
Managing Director
DIN: 01588087

Annexure “D” to Board’s Report
COMPLIANCE CERTIFICATE

[Pursuant to Regulation 34(3) read with Schedule V Para E of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
Chambal Fertilisers and Chemicals Limited
CIN: L24124RJ1985PLC003293
Gadepan, District Kota,
Rajasthan, PIN- 325208

We have examined the compliance of conditions of Corporate Governance of **Chambal Fertilisers and Chemicals Limited** (hereinafter referred to as “the Company”), having its Registered Office situated at **Gadepan, District Kota, Rajasthan - 325208**, for the financial year ended on March 31, 2025, as stipulated in Regulations 17 to 27 clauses (b) to (i) and (t) of Regulation 46(2) and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“Listing Regulations, 2015”).

Management’s Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. This responsibility also includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations, 2015.

Responsibility of Practicing Company Secretary

Our examination is limited to a review of procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Certification

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations, 2015.

We further state that this certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For RMG & Associates
Company Secretaries
Firm Registration Number: P2001DE016100
Peer Review No.: 6403/2025

Place : New Delhi
Date : May 08, 2025
UDIN: F005123G000291541

CS Manish Gupta
Managing Partner
FCS: 5123; C.P. No.: 4095

Annexure “E” to Board’s Report
CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
[Pursuant to Regulation 34(3) read with Schedule V Para C clause (10) (i) of the Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Chambal Fertilisers and Chemicals Limited
CIN: L24124RJ1985PLC003293
Gadepan, District Kota,
Rajasthan, PIN -325208

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Chambal Fertilisers and Chemicals Limited (CIN: L24124RJ1985PLC003293)** having its Registered Office at **Gadepan, District Kota, Rajasthan, PIN-325208** (hereinafter referred to as “the Company”) produced before us by the Company for the purpose of issuing this certificate, in pursuance of the provisions of Regulation 34(3) read with Schedule V Para C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Director Identification Number (“DIN”) status at the portal www.mca.gov.in) as considered necessary by us and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of Directors of the Company, as stated below, for the financial year ended March 31, 2025, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority:

| S. No. | Name of the Director | DIN | Date of Appointment in the Company |
|--------|----------------------------|----------|------------------------------------|
| 1. | Mr. Saroj Kumar Poddar | 00008654 | 13/02/1995 |
| 2. | Mr. Shyam Sunder Bhartia | 00010484 | 13/02/1995 |
| 3. | Mr. Chandra Shekhar Nopany | 00014587 | 16/09/2008 |
| 4. | Mr. Vivek Mehra | 00101328 | 18/09/2018 |
| 5. | Mr. Pradeep Jyoti Banerjee | 02985965 | 01/12/2019 |
| 6. | Ms. Rita Menon | 00064714 | 10/09/2020 |
| 7. | Mr. Berjis Minoo Desai | 00153675 | 13/09/2022 |
| 8. | Mr. Abhay Baijal | 01588087 | 21/07/2023 |

Ensuring the eligibility for the appointment/continuity of a Director on the Board of Directors of the Company 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.

For RMG & Associates
Company Secretaries
Firm Registration No. P2001DE016100
Peer Review No. 6403/2025

CS Manish Gupta
Managing Partner
FCS: 5123; C.P. No.: 4095

Place : New Delhi
Date : May 08, 2025
UDIN: F005123G000291547

Annexure "F" to Board's Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2024-25

| | | | | | |
|----|--|----------------------------|--|---|--|
| 1. | Brief outline on CSR Policy of the Company: | | The CSR Policy of the Company lays down the aims and objectives of CSR projects and programmes. The Policy also lays down the guiding principles for selection, implementation and monitoring of CSR activities. | | |
| 2. | Composition of CSR Committee: | | | | |
| | Sl. 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 | Mr. Chandra Shekhar Nopany | Chairman of CSR Committee/Non-Executive Director | 2 | 2 |
| | 2 | Mr. Abhay Baijal | Member/ Managing Director | 2 | 2 |
| | 3 | Mrs. Rita Menon | Member/ Independent Director | 2 | 2 |
| 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. | | | https://www.chambalfertilisers.com/csroverview | |
| 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. | | | Impact assessment was carried out by KPMG Assurance and Consulting Services LLP (KPMG) of the following CSR projects/programmes during the Financial Year 2024-25: i) Project Akshar - Pre-primary and School Education; ii) Project Saksham - Technical and Vocational Education; iii) Project Saakar - Rural Development Initiatives; iv) Project Arogya - Healthcare and Sanitation Initiatives; v) Project Bhoomi - Environmental Sustainability, Animal Welfare and Soil Health Initiatives; and vi) Promotion of Sports. Executive summary of KPMG’s Impact Assessment Report is attached herewith, and the full Impact Assessment Report is available on the website of the Company on the weblink: https://www.chambalfertilisers.com/impactassessmentreport/ | |
| 5. | (a) Average net profit of the company as per sub-section (5) of section 135. | | | | Rs. 1,699.84 Crore |
| | (b) Two percent of average net profit of the company as per sub-section (5) of section 135. | | | | Rs. 34.00 Crore |
| | (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)]. | | | | Rs. 34.00 Crore |
| 6. | (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project). | | | | Rs. 32.77 Crore |
| | (b) Amount spent in Administrative Overheads. | | | | Rs. 1.11 Crore |
| | (c) Amount spent on Impact Assessment, if applicable. | | | | Rs. 0.21 Crore |
| | (d) Total amount spent for the Financial Year [(a)+(b)+(c)]. | | | | Rs. 34.09 Crore |

| | | | | | | | | |
|---|---|---|---|---|--|---------------------------|---|--------------------|
| (e) CSR amount spent or unspent for the Financial Year: | | | | | | | | |
| Total Amount Spent for the Financial Year (in Rs.) | | Amount Unspent (in Rs.) | | | | | | |
| | | 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 | Date of transfer | Name of the Fund | Amount | Date of transfer | | |
| Rs. 34.09 Crore | | Rs. 0.06 Crore | 29.04.2025 | Not Applicable | NIL | Not Applicable | | |
| (f) Excess amount for set-off, if any: | | | | | | | | |
| Sl. No. | Particular | | | | | | Amount (in Rs. crore) | |
| (1) | (2) | | | | | | (3) | |
| (i) | Two percent of average net profit of the company as per sub-section (5) of section 135 | | | | | | 34.00 | |
| (ii) | Total amount spent for the Financial Year | | | | | | 34.09 | |
| (iii) | Excess amount spent for the Financial Year [(ii)-(i)] | | | | | | 0.09 | |
| (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)] | | | | | | 0.09 | |
| 7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: | | | | | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | | 7 | 8 |
| Sl. No. | Preceding Financial Year(s) | Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.) | Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.) | Amount Spent in the Financial Year (in Rs.) | Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any | | Amount remaining to be spent in succeeding Financial Years (in Rs.) | Deficiency, if any |
| | | | | | Amount (in Rs.) | Date of Transfer | | |
| 1 | Financial Year 2023-24 | Nil | Nil | Nil | Nil | - | Nil | - |
| 2 | Financial Year 2022-23 | Nil | Nil | Nil | Nil | - | Nil | - |
| 3 | Financial Year 2021-22 | Nil | Nil | Nil | Nil | - | Nil | - |
| 8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Yes If Yes, enter the number of Capital assets created/ acquired <input type="text" value="04"/> | | | | | | | | |
| Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: | | | | | | | | |
| Sl. No. | Short particulars of the property or asset(s) [including complete address and location of the property] | 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 | |
| 1. | Land procured for construction of a new school for community. KK Birla Memorial Society C/o Chambal Fertilisers and Chemicals Limited PO Gadepan District Kota PIN 325208 Location – Village Gadepan (District Kota) | 325208 | 12.02.2025 | Rs.5,72,13,070 | CSR00003240 | KK Birla Memorial Society | C/o CFCL Gadepan District Kota, Rajasthan PIN 325208 | |

| Sl. No. | Short particulars of the property or 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 |
| 2. | Boundary wall of the land procured for construction of a new school for community (mentioned under Sl. No. 1 above) KK Birla Memorial Society C/o Chambal Fertilisers and Chemicals Limited PO Gadepan District Kota PIN 325208 Location – Village Gadepan (District Kota) | 325208 | 28.02.2025 | Rs.12,15,494 | CSR00003240 | K K Birla Memorial Society | C/o CFCL Gadepan District Kota, Rajasthan PIN 325208 |
| 3. | Vehicle - Bolero B6 BS-IV Motor Car KK Birla Memorial Society C/o Chambal Fertilisers and Chemicals Limited PO Gadepan District Kota PIN 325208 Location – Village Gadepan (District Kota) | 325208 | 31.07.2024 | Rs.11,83,161 | CSR00003240 | K K Birla Memorial Society | C/o CFCL Gadepan District Kota, Rajasthan PIN 325208 |
| 4. | Vehicle - Mahindra Treo Zor Electrical Vehicle (3 - wheeler) KK Birla Memorial Society C/o Chambal Fertilisers and Chemicals Limited PO Gadepan District Kota PIN 325208 Location – Village Gadepan (District Kota) | 325208 | 31.03.2025 | Rs.4,77,929 | CSR00003240 | K K Birla Memorial Society | C/o CFCL Gadepan District Kota, Rajasthan PIN 325208 |
| (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 sub- section (5) of section 135. | | | | | Not Applicable | |

Date: May 08, 2025

Abhay Baijal
Managing Director
DIN: 01588087

Chandra Shekhar Nopany
Chairman - Corporate Social Responsibility Committee
DIN: 00014587

Executive Summary of Impact Assessment Report

08th May, 2025

Chambal Fertilisers and Chemicals Limited

Gadepan, District Kota
Rajasthan - 325208

Dear Sir(s)

As per the provisions of the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rules"), every company having average Corporate Social Responsibility ("CSR") obligation of ten crore rupees or more in pursuance of sub-section (5) of section 135 of the Companies Act, 2013, in the three immediately preceding financial years, shall undertake impact assessment, through an independent agency, of their CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study.

We have been engaged by Chambal Fertilisers and Chemicals Limited ("CFCL/Company") to carry out impact assessment of its CSR projects and programmes in compliance of CSR Rules. Accordingly, we have carried out an Impact Assessment of CSR projects undertaken by CFCL.

The executive summary of our impact assessment findings is as under:

Introduction

CFCL has been a key player in India's agriculture sector, operating advanced nitrogenous fertiliser plants. As a leading supplier of fertilisers, CFCL serves farmers across fourteen states, particularly excelling in Rajasthan, Madhya Pradesh, Punjab, and Haryana. The Company is committed to sustainable agriculture and CSR, focusing on economic prosperity, social development, and environmental integrity.

CSR at CFCL

CFCL's CSR initiatives span across Rajasthan, Punjab, Haryana and Uttarakhand addressing significant socio-economic challenges in health, education, rural development, agriculture, and sports. The CSR programs of CFCL aim to bridge critical gaps and foster sustainable growth in these regions. CFCL's CSR projects focus on **Environmental Sustainability, Animal Welfare and Soil Health, Pre-Primary & School Education, Healthcare & Sanitation, Promotion of Sports, Disaster Management, Rural Development, and Technical and Vocational Education.**

Impact assessment study

The impact assessment evaluates the effectiveness of CFCL's CSR programs, focusing on projects implemented in Rajasthan and Haryana. The study aims to understand the **relevance, effectiveness, efficiency, coherence** and **sustainability** of these interventions based on the Organisation for Economic Co-operation and Development's Development Assistance Committee (OECD DAC) framework.

Assessment approach

The approach for this study involved a mixed-methods approach, which incorporated both quantitative and qualitative data collection and analysis methods. The study was conducted through a combination of literature review, surveys, focused group discussion, and interviews with key stakeholders.

| Geographical Scope | Data Collection Methods |
|---|--|
| The impact assessment covered primary data from: Rajasthan and Haryana | <ol style="list-style-type: none"> 1. Survey Interviews 2. In-depth Interviews 3. Focused Group Discussions |

Stakeholder mapping

Primary Stakeholders included direct beneficiaries: The total sample size was 948 beneficiaries across 6 projects

Secondary Stakeholders:

| In-Depth Interviews (IDIs) | | Focus Group Discussions (FGDs) |
|------------------------------------|-------------------|---|
| Teachers | Sports Trainers | Women Group |
| Anganwadi Worker | Medical Officers | Sarpanch and Panchayati Raj Institution members |
| Professors | Specialist Doctor | Men Group |
| Trainers | Pharmacist | Youth Group |
| Panchayati Raj Institution members | Lab technician | Children Group associated with sports |
| | CSR Team | Professors from Polytechnic College, Baran |

Projects covered under impact assessment

The projects that have been covered under the impact assessment study are as under:

1. **Project Akshar:** Focused on pre-school and school education in Rajasthan, Haryana, Madhya Pradesh and Punjab. This project aims to improve the quality of education and learning outcomes for children, ensuring they have a strong foundation for future academic success.
2. **Project Saksham:** Aimed at technical and vocational education in Rajasthan. This initiative provides skill development and vocational training to youth, enhancing their employability and enabling them to secure better job opportunities.
3. **Project Arogya:** Addressing healthcare and sanitation in Rajasthan, Haryana, Punjab and Madhya Pradesh. This initiative aims to improve access to healthcare services, promote hygiene and sanitation practices, and reduce the incidence of diseases in the target communities.
4. **Project Saakar:** Concentrated on rural development in Rajasthan. This project focuses on improving infrastructure, promoting sustainable agricultural practices, and enhancing the overall quality of life in rural communities.
5. **Project Bhoomi:** Promoting environmental sustainability in Rajasthan, Haryana and Punjab. This project focuses on environmental conservation, afforestation, and promoting sustainable practices to protect and preserve natural resources.
6. **Promotion of Sports:** Encouraging the promotion of sports in Rajasthan. This initiative aims to identify and nurture sporting talent, provide training and facilities, and promote a culture of sportsmanship and physical fitness among youth.

The objective of this assignment was to analyze the impact generated amongst the community due to the multi-fold intervention by CFCL. An evaluation was conducted to determine the significance of the projects, including its effectiveness of design and project interventions, relevance, and sustainability of results and impact of the intervention on the target community. The assessment aims to evaluate the degree to which the program activities are translating into their intended impact and also highlight the final change/benefits accrued from it.

Key Findings of the Impact Assessment Study

The projects that have been covered under the impact assessment study are provided in the next section.

Project Akshar- Pre-school and School Education

| | |
|----------------|--|
| RELEVANCE | Educational Infrastructure: Addresses significant disparities in school and Anganwadi infrastructure. Quality Education: Enhances the quality of education and learning outcomes for children. Digital Literacy: Promotes digital literacy through SMART classes and computer access. |
| EFFECTIVENESS | Infrastructure Improvement: 99% of respondents believe that school facilities have improved due to Project Akshar. Improvement in school infrastructures including classrooms, labs and toilets. Digital Literacy: 97% received training on digital learning devices, and 99% reported improved digital skills. Academic Performance: 98% of students observed improvement in academic performance. |
| EFFICIENCY | Resource Utilization: Effective use of dedicated budget for a wide range of activities. Timely Implementation: All planned activities completed on schedule. Community Engagement: Regular community meetings and awareness sessions held. |
| IMPACT | Learning Environment: Improved classrooms and study materials. Digital Skills: Enhanced digital literacy through SMART classes and computers. Community Participation: Increased engagement in educational activities. |
| SUSTAINABILITY | Student Engagement: 100% of students enjoy studying in their school, and 56.45% are always motivated to attend. Institutional Ownership: Collaboration with school administration to maintain improvements. Capacity Building: Training for Anganwadi workers and helpers. |

Project Saksham- Technical and Vocational Education

| | |
|-----------|--|
| RELEVANCE | Skill Gap: Addresses the critical skill gap in India, where millions of youths enter the workforce annually without adequate skills. Employment Needs: Targets unemployed youth and students, providing them with vocational training to enhance employability. Economic Development: Aligns with India's transition to a high-growth, high-productivity economy by equipping the workforce with relevant skills. |
|-----------|--|

| | |
|----------------|---|
| EFFECTIVENESS | Certification Rate: 88% of participants successfully completed the training programs. Skill Improvement: 64% reported significant improvement in communication skills, 63% in problem-solving abilities, and 53% in leadership qualities. |
| EFFICIENCY | Resource Utilization: Effective use of resources with high certification rates. Job Placement: 48% of respondents were placed immediately after training, 19% within one month, 20% within two to three months, and 13% within four to six months. Feedback Mechanism: Only 10% received regular feedback, indicating a need for improved monitoring systems. |
| IMPACT | Economic Impact: Increase in monthly income from INR 6,541 to INR 9,367. 37% of respondents contribute 30-60% of their family income. Entrepreneurial Ambitions: 31% considered starting their own business, and 6% have already started their own enterprise. Personal Development: Enhanced communication skills (64%), problem-solving abilities (63%), and leadership qualities (53%). |
| SUSTAINABILITY | Long-term Benefits: 54% reported improved social standing. 67% increased investment in health, education, and safety. Financial Stability: 79% of respondents started saving money post- training. Institutional Support: Continuous monitoring and evaluation to ensure training remains relevant to market needs. |

Project Arogya -Healthcare and Sanitation

| | |
|----------------|--|
| RELEVANCE | Healthcare Access: Addresses the critical need for healthcare infrastructure and services in rural areas. Economic Vulnerability: Provides affordable healthcare services to economically vulnerable populations. Health Awareness: Promotes preventive health awareness and hygiene practices. |
| EFFECTIVENESS | Healthcare Access: Increased frequency of visits to Primary Health Centers (PHCs), with 41.9% visiting monthly and 39.8% quarterly post-implementation. Service Quality: 97.8% reported waiting less than 30 minutes for consultations, and 94% stated PHCs are well-maintained. Health Camps: 77% attended health camps, with 87.5% rated the services as excellent. |
| EFFICIENCY | Budget Utilization: Efficient use of allotted budget for a wide range of activities. Timely Execution: All activities executed within the planned timeframe. Collaborative Efforts: Effective collaboration with NGO partners and government officials. |
| IMPACT | Emergency Healthcare: 63% reported better emergency healthcare services. Health Expenses: 89% reported savings on health expenses. Health Improvements: 75% noticed significant improvements in personal and household health. |
| SUSTAINABILITY | Community Engagement: Active involvement of the community in planning and implementation of health camps and health awareness events. Capacity Building: Training and development of healthcare providers. Partnerships: Collaboration with government agencies and NGOs to leverage resources. |

Project Saakar -Rural Development Initiative

| | |
|---------------|---|
| RELEVANCE | Community Infrastructure: Addresses critical infrastructure needs in rural areas, such as roads, drainage systems, and community halls. Quality of Life: Enhances the overall quality of life in rural communities by improving access to essential services. Economic Development: Supports economic activities by improving transportation and community facilities. |
| EFFECTIVENESS | Infrastructure Usage: 93% of respondents reported using the developed roads daily, and 57% used community spaces occasionally. Community Engagement: 74% of respondents actively utilized community halls for meetings, events, and training sessions. Sanitation Improvement: 66% observed significant improvements in village drainage systems, while 23% noted moderate enhancements. |

| | |
|----------------|--|
| EFFICIENCY | <p>Resource Allocation: Strategic selection of infrastructure projects based on local needs.</p> <p>Operational Efficiency: Effective execution of development activities, with 94% satisfaction with road infrastructure and 82% satisfaction with drainage systems.</p> <p>Quality of Infrastructure: High satisfaction with the quality of developed infrastructure.</p> |
| IMPACT | <p>Accessibility: 95% of respondents reported improved accessibility for the transportation of goods and services.</p> <p>Community Interaction: 83% experienced improved community engagement and participation in village activities.</p> <p>Public Health: 75% reported an overall improvement in cleanliness and sanitation, and 55% agreed that the improvements significantly reduced health-related risks, including water-borne diseases.</p> |
| SUSTAINABILITY | <p>Social Sustainability: Strong community ownership and participation in maintaining the infrastructure.</p> <p>Institutional Sustainability: Engagement with local governance structure to ensure long-term oversight and support.</p> <p>Economic Sustainability: Need for clear frameworks for maintenance and funding to ensure the infrastructure remains functional and beneficial in the long term.</p> |

Project Bhoomi -Environmental Sustainability, Animal Welfare and Soil Health Initiative

| | |
|----------------|---|
| RELEVANCE | <p>Environmental Impact: Addresses the significant issue of stubble burning, which contributes to severe air pollution and environmental degradation.</p> <p>Health Risks: Mitigates health risks associated with stubble burning, such as respiratory problems and cardiovascular diseases.</p> <p>Soil Health: Promotes sustainable agricultural practices that improve soil health and agricultural productivity.</p> |
| EFFECTIVENESS | <p>Awareness and Participation: 92.83% of respondents attended workshops, awareness campaigns, or community meetings, with 50.57% attending multiple times.</p> <p>Support Received: 72.84% received Crop Residue Management (CRM) implement support, and 14.22% reported the availability of super seeders.</p> <p>Knowledge Improvement: 53.96% reported significant increase in knowledge on CRM while 45.66% have experienced moderate increase in knowledge on CRM practices.</p> |
| EFFICIENCY | <p>Resource Utilization: Strategic allocation of budget for various activities.</p> <p>Activity Implementation: High levels of participation and adoption of CRM practices, with 72.45% regularly adopting these practices.</p> <p>Productivity Improvement: Approximately 47.92% of respondents reported notable improvements in farm productivity and soil health, while 49.43% observed moderate improvements.</p> |
| IMPACT | <p>Farm Productivity: 47.92% reported significant improvement in productivity, and 33.33% observed improvements in soil quality.</p> <p>Health and Environment: 76.23% received monetary benefits due to the reduction in stubble burning, and 23.77% received government subsidies for farm equipment.</p> <p>Government Support: 90.94% received support for agricultural mechanization for in-situ management of crop residue.</p> |
| SUSTAINABILITY | <p>Behavioral Change: Increased awareness and adoption of sustainable practices, with 74.34% stating they would definitely continue using CRM practices in the future.</p> <p>Government Convergence: Effective collaboration with government schemes, such as the promotion of agricultural mechanization and bio-decomposer technology.</p> <p>Future Continuation: Strong likelihood of continued use of CRM practices, ensuring long-term environmental and agricultural benefits.</p> |

Promotion of Sports

| | |
|---------------|--|
| RELEVANCE | Sports Infrastructure: Addresses the lack of adequate sports facilities in government schools, particularly in rural areas. |
| | Holistic Development: Promotes physical fitness, cognitive abilities, and social skills among students. Talent Identification: Facilitates early exposure to sports, helping young athletes refine their skills and compete at higher levels. |
| EFFECTIVENESS | Facility Utilization: 97% of students used the developed sports facilities, with 85% engaging daily. Skill Development: 66% reported excellent development in sports skills, 32% noted good progress, and 2% experienced fair improvement. Training Programs: 97% participated in sports training programs, with 90% rating them as beneficial. |
| | Resource Allocation: Strategic mapping of infrastructure needs and effective distribution of resources. Operational Efficiency: Timely execution of activities and high engagement levels among students. Quality of Infrastructure: Positive feedback on the quality of developed sports facilities. |
| IMPACT | Physical Fitness: 73% of students reported significant improvement in fitness levels, 17% observed moderate improvement, and 10% noted slight improvement. Academic Performance: 88% of students reported improved focus on studies. Teamwork: 93% of students reported improved teamwork skills. |
| | Financial Sustainability: Maintenance through CFCL's ongoing assistance and school budgeting. Social Sustainability: 89% reported that sports are actively promoted at home, and 94% stated their community supports sports activities. Capacity Building: Training for school staff to sustain facilities and deliver quality sports training. |

Coherence

A project's coherence is determined by how well it aligns with the goals and policies of the national and state governments and the principles of the larger international community. The relevant details are as under:

| Project | Alignment with National Priorities | Alignment with Sustainable Development Goals |
|---------------------|---|---|
| Project Akshar | Supports the Right to Education Act and National Education Policy, enhancing educational infrastructure and quality. | <ul style="list-style-type: none"> • SDG 4- Quality education • SDG 10- Reduced inequalities |
| Project Saksham | Aligns with the National Skill India Mission and National Rural Livelihood Mission, addressing the skill gap and enhancing employability. | <ul style="list-style-type: none"> • SDG 1- No poverty • SDG 4- Quality education • SDG 8- Decent work and economic growth |
| Project Saakar | Supports rural development programs like Pradhan Mantri Gram Sadak Yojana and Swachh Bharat Mission, improving infrastructure and sanitation. | <ul style="list-style-type: none"> • SDG 11- Sustainable cities and communities • SDG 6- Clean water and sanitation |
| Project Arogya | Aligns with the National Health Mission and Ayushman Bharat scheme, improving healthcare access and quality. | <ul style="list-style-type: none"> • SDG 1- No poverty • SDG 3- Good health and well-being • SDG 10- Reduced inequalities |
| Project Bhoomi | Aligns with the National Action Plan on Climate Change and National Policy for Management of Crop Residues, promoting sustainable agricultural practices. | <ul style="list-style-type: none"> • SDG 13- Climate action • SDG 15- Life on land |
| Promotion of Sports | Supports the National Education Policy 2020 and Khelo India program, promoting sports infrastructure and talent identification. | <ul style="list-style-type: none"> • SDG 3- Good health and well-being • SDG 4- Quality education • SDG 16- Peace, justice, and strong institutions |

Recommendations

1. **Promote Sports in Schools:** CFCL may enhance capacity building and awareness among teachers and school administration to promote sports in the schools.
2. **Enhance Trainee Retention:** CFCL should offer soft skills training to trainees, in addition to the statutory curriculum, to ensure better post-placement retention.
3. **Diversify Sports Promotion:** CFCL should promote individual sports like Judo, alongside traditional sports such as Kho-Kho and Kabaddi. This will broaden students' athletic skills and interests.

Annexure “G” to Board’s Report
FORM NO. MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2025
[Pursuant to Section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Chambal Fertilisers and Chemicals Limited
CIN: L24124RJ1985PLC003293
Gadepan, District Kota,
Rajasthan, PIN -325208

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Chambal Fertilisers and Chemicals Limited** (hereinafter referred as ‘**the Company**’), having its Registered Office at **Gadepan, District Kota, Rajasthan, PIN -325208**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

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

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

- I. The Companies Act, 2013 (‘the Act’) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’): -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **[Not Applicable as the Company has not issued further share capital during the financial year under review];**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **[Not applicable as the Company has not issued any non-convertible securities during the financial year under review];**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client **[Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent];**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **[Not Applicable as the Company has not delisted/proposed to delist its equity shares from any Stock Exchange during the financial year under review];** and
 - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 **[Not Applicable as the Company has not bought back/proposed to buy back any of its securities during the financial year under review].**
- VI. Other Laws applicable specifically to the Company are as follows:
 - (a) The Essential Commodities Act, 1955;
 - (b) The Fertiliser (Inorganic, Organic or Mixed) (Control) Order, 1985;
 - (c) The Fertilizer (Movement Control) Order, 1973; and
 - (d) The Insecticides Act, 1968, The Insecticides Rules, 1971 and Insecticides (Price, Stock Display and Submission of Reports) Order, 1986.

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

1. Secretarial Standards with respect to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.
2. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.
3. General Circular no. 09/2023 dated September 25, 2023 read with General Circular no. 14/2020 dated April 08, 2020, General Circular no. 17/2020 dated April 13, 2020, General Circular no. 20/2020 dated May 05, 2020, General Circular no. 02/2021 dated January 13, 2021 General Circular no. 2/2022 dated May 05, 2022 and General Circular no. 10/2022 dated December 28, 2022 issued by the Ministry of Corporate Affairs to hold Annual General Meetings through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) and Circular No. Section VI-J of Master Circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 issued by the Securities and Exchange Board of India for dispensation of dispatching the physical copies of Annual Reports to the shareholders.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, circulars, notifications, etc. 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, Independent Directors and Woman Director. There were no changes in the composition of the Board of Directors that took place during the period under review.
- Adequate notice(s) were given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to all Directors except information which are in the nature of the UPSI, 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.
- As per the minutes, all decisions of the Board and Committees thereof were carried unanimously and there was no instance of dissent.
- As per the records, the Company generally filed all the forms, returns, documents and resolutions as were required to be filed with the Registrar of Companies and other authorities and all the formalities relating to the same are in compliance with the Act.
- During the year under review, a Designated Person, executed a contra trade in the Company's equity shares, which was in violation of the code of conduct to regulate, monitor and report trading in securities of the Company. The profit of Rs. 5,330/- earned from such transaction was transferred to the Investor Protection and Education Fund (IPEF) in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc:

1. Mr. Pradeep Jyoti Banerjee (DIN: 02985965) was re-appointed as an Independent Director of the Company, to hold office for a second term of 5 (five) consecutive years, from December 01, 2024 to November 30, 2029 in the Annual General Meeting held on August 27, 2024;
2. Mr. Abhay Baijal (DIN: 01588087) was re-appointed as the Managing Director/Key Managerial Personnel of the Company for further period of 3 (three) years from July 21, 2025 to July 20, 2028 subject to the approval of members at the next general meeting;
3. The Company declared final dividend of Rs. 3/- (i.e. 30%) per equity share of Rs. 10/- of the Company, for the Financial Year 2023-24. Further, the Board of Directors of the Company at its meeting held on November 06, 2024, declared an interim dividend of Rs. 5/- (i.e. 50%) per equity share of Rs. 10/- of the Company for the Financial Year 2024-25;

**For RMG & Associates
Company Secretaries
Firm Registration No. P2001DE016100
Peer Review No. : 6403 / 2025**

Place : New Delhi
Date : May 08, 2025
UDIN : F005123G000291871

**CS Manish Gupta
Managing Partner
FCS: 5123; C.P. No.: 4095**

Note: This report is to be read with 'Annexure' attached herewith and forms an integral part of this report.

To,
The Members,
Chambal Fertilisers and Chemicals Limited
CIN: L24124RJ1985PLC003293
Gadepan, District Kota,
Rajasthan, PIN -325208

Our Secretarial Audit Report of even date, for the financial year ended March 31, 2025 is to be read along with this letter:

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operating effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances as produced before us.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. 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.
6. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
7. We have conducted verification & examination of records, as facilitated by the Company, for the purpose of issuing this Report.

For RMG & Associates
Company Secretaries
Firm Registration No. P2001DE016100
Peer Review No. : 6403 / 2025

Place : New Delhi
Date : May 08, 2025
UDIN : F005123G000291871

CS Manish Gupta
Managing Partner
FCS: 5123; C.P. No.: 4095

Annexure "H" to Board's Report
CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND
FOREIGN EXCHANGE EARNINGS AND OUTGO

[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) The steps taken or impact on conservation of energy

Installation of Thermo-compressor in Train 'A' of Urea - III plant.

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

As an initiative towards use of renewable energy, the Company has installed roof top solar panels in Gadepan campus having capacity of 1000 KW (AC) peak power. During the Financial Year 2024-25, 1.72 million kWh of solar power was generated.

(iii) The capital investment on energy conservation equipments

During the Financial Year 2024-25, the total capital investment on the above-mentioned energy conservation scheme was Rs. 45.95 Lakh.

(B) Technology Absorption:

(i) The efforts made towards technology absorption

Installation of Thermo-compressor in Train 'A' of Urea - III plant.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution

Reduction of cost of production on account of energy efficiency.

(iii) In the case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

| The details of technology imported | The year of import | Whether the technology been fully absorbed | If not fully absorbed, areas where absorption has not taken place, and the reasons thereof |
|---|--------------------|--|--|
| Replacement of purge gas hydrogen recovery unit membranes in Ammonia-I plant. | 2022-23 | Yes | Not applicable |
| Replacement of nine Urea reactor trays with super cup trays in each unit of Urea-I plant. | 2022-23 | Yes | Not applicable |
| Uprating of synthesis gas compressor turbine in Ammonia-I plant. | 2023-24 | Yes | Not applicable |
| Installation of balance top seven super cup Urea reactor trays in each unit of Urea-I plant. | 2023-24 | Yes | Not applicable |
| Uprating of synthesis gas compressor turbine in Ammonia-II plant. | 2023-24 | Yes | Not applicable |
| Replacement of synthesis gas converter basket with improved design in Ammonia-II plant along with new catalyst. | 2023-24 | Yes | Not applicable |

(iv) The expenditure incurred on Research and Development

The Company is a manufacturing organisation and is not engaged in any major research & development activity. However, the Company continuously makes efforts to improve the efficiency and reliability of operations of the plants and quality of the products.

(C) Foreign Exchange Earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows, are as under:

| | | |
|-------------------------|---|-------------------|
| Foreign Exchange earned | : | Rs. 139.90 Crore |
| Foreign Exchange outgo | : | Rs. 2766.94 Crore |

**For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited**

Rita Menon
Director
DIN: 00064714

Abhay Baijal
Managing Director
DIN: 01588087

Place: New Delhi
Date: May 08, 2025

Annexure "I" to Board's Report

Information pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2024-25 and the percentage increase in remuneration of each Director, Managing Director, Chief Financial Officer and Company Secretary in the Financial Year 2024-25:

| Name of Director & Designation | Ratio of remuneration of each director to the median remuneration of employees | Increase/(Decrease) in remuneration (%) |
|--|---|--|
| Mr. Saroj Kumar Poddar Non-Executive Chairman | 0.79 * | (17.86) |
| Mr. Shyam Sunder Bhartia § Non-Executive Director | Not Applicable | Not Applicable |
| Mr. Chandra Shekhar Nopany Non-Executive Director | 0.89 * | (10.31) |
| Mr. Abhay Baijal # Managing Director | 20.72 | Not Comparable |
| Mr. Vivek Mehra Independent Director | 1.04 * | (11.14) |
| Mr. Pradeep Jyoti Banerjee Independent Director | 1.10 * | (9.83) |
| Mrs. Rita Menon Independent Director | 1.05 * | (6.71) |
| Mr. Berjis Minoo Desai Independent Director | 0.89 * | (18.75) |
| Mr. Anand Agarwal Chief Financial Officer | Not Applicable | (1.12) |

Notes:

- (a) *Comprises profit-related commission and sitting fee for attending board/committee meetings, as applicable.
- (b) § Voluntarily foregone sitting fee for FY-24 and FY-25 and commission for FY-24.
- (c) # Mr. Abhay Baijal was appointed as Managing Director w.e.f. July 21, 2023. Accordingly, remuneration paid to him for part of the year during FY-24, is not comparable with remuneration paid during FY-25.
- (d) Mr. Tridib Barat was appointed as Company Secretary (KMP) w.e.f. November 4, 2023. Accordingly, remuneration paid to him for part of the year during FY-24, is not comparable with remuneration paid during FY-25.
- ii) Percentage increase in the median remuneration of employees in FY-25 - **0.74%**
- iii) Number of permanent employees on the rolls of the Company - **1102**. Median remuneration of the employees of the Company for FY-25 is Rs. 14,61,373/-.
- iv) Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration - Average percentage increase in the salaries of employees other than managerial personnel in the Financial Year 2024-25 was 8.48%, and in view of note(c) above, its comparison with increase of managerial remuneration is not applicable.
- v) It is hereby affirmed that the remuneration is as per the remuneration policy of the Company.

**For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited**

Rita Menon
Director
DIN: 00064714

Abhay Baijal
Managing Director
DIN: 01588087

Place : New Delhi
Date : May 08, 2025

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)
SECTION A: GENERAL DISCLOSURES
I. Details of the listed entity

| | | |
|-----|--|---|
| 1. | Corporate Identity Number (CIN) of the Listed Entity | L24124RJ1985PLC003293 |
| 2. | Name of the Listed Entity | Chambal Fertilisers and Chemicals Limited |
| 3. | Year of incorporation | 1985 |
| 4. | Registered office address | Gadepan, District Kota, Rajasthan, PIN - 325208, India |
| 5. | Corporate address | Corporate One, First Floor, 5, Commercial Centre, Jasola, New Delhi - 110025 |
| 6. | E-mail | corporate@chambal.in |
| 7. | Telephone | Registered Office: +91-744-2782915 Corporate Office: +91-11-46581300, 41697900 |
| 8. | Website | www.chambalfertilisers.com |
| 9. | Financial Year for which reporting is being done | April 01, 2024 to 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 (INR in Crore) | 400.65 |
| 12. | Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report | Mr. Vishal Mathur, Assistant Vice President – Human Resources & Administration, Telephone number: +91-744-2782900 E-mail ID: vishal.mathur@chambal.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 in this report are made on standalone basis. |
| 14. | Name of assurance provider | Not Applicable |
| 15. | Type of assurance obtained | Not Applicable |

II. Products/services
16. Details of business activities (accounting for 90% of the entity's turnover):

| S. No. | Description of Main Activity | Description of Business Activity | % of Turnover of the entity |
|--------|------------------------------|--|-----------------------------|
| 1. | Manufacturing | Chemical and chemical products, pharmaceuticals, medicinal chemical and botanical products | 79.05 |
| 2. | Trade | Wholesale Trading | 20.95 |

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

| S. No. | Product/Service | NIC Code | % of total Turnover contributed |
|--------|--|----------|---------------------------------|
| 1. | Manufacture of Urea | 24123 | 76.35 |
| 2. | Marketing of Di-ammonium Phosphate (DAP) | 51497 | 6.52 |
| 3. | Marketing of NPK Fertilisers | 51497 | 5.51 |
| 4. | Marketing of Pesticides | 51497 | 3.60 |

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 | 1* | 25 | 26 |
| International | 0 | 0 | 0 |

*The Company has three plants in one location at Gadepan, District Kota, Rajasthan (i.e., Gadepan-I, Gadepan-II and Gadepan-III).

19. Markets served by the entity:

a. Number of locations:

| Locations | Number |
|----------------------------------|--------|
| National (No. of States) | 14* |
| International (No. of Countries) | 0 |

*The Company serves 13 states and 1 union territory in the national market.

b. What is the contribution of exports as a percentage of the total turnover of the entity?

| |
|-------|
| 0.00% |
|-------|

c. A brief on types of customers

Key customers of the Company are farmers and channel partners. We cater to the farmers' needs of 13 states and 1 union territory through network of channel partners which includes dealers, distributors and retailers.

IV. Employees:

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

| S. No. | Particulars | Total (A) | Male | | Female | |
|--------|--------------------------|-----------|---------|-----------|---------|-----------|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| | EMPLOYEES | | | | | |
| 1. | Permanent (D) | 681 | 664 | 97.50 | 17 | 2.50 |
| 2. | Other than Permanent (E) | 0 | 0 | 0.00 | 0 | 0.00 |
| 3. | Total employees (D + E) | 681 | 664 | 97.50 | 17 | 2.50 |
| | WORKERS | | | | | |
| 4. | Permanent (F) | 421 | 417 | 99.05 | 4 | 0.95 |
| 5. | Other than Permanent (G) | 2218 | 2203 | 99.32 | 15 | 0.68 |
| 6. | Total workers (F + G) | 2639 | 2620 | 99.28 | 19 | 0.72 |

Assumption: Permanent - All Management employees and Worker - Non Management employees

b. Differently abled Employees and workers:

| S. No. | Particulars | Total (A) | Male | | Female | |
|--------|---|-----------|---------|-----------|---------|-----------|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| | DIFFERENTLY ABLED EMPLOYEES | | | | | |
| 1. | Permanent (D) | 0 | 0 | 0.00 | 0 | 0.00 |
| 2. | Other than Permanent (E) | 0 | 0 | 0.00 | 0 | 0.00 |
| 3. | Total differently abled employees (D + E) | 0 | 0 | 0.00 | 0 | 0.00 |
| | DIFFERENTLY ABLED WORKERS | | | | | |
| 4. | Permanent (F) | 0 | 0 | 0.00 | 0 | 0.00 |
| 5. | Other than Permanent (G) | 0 | 0 | 0.00 | 0 | 0.00 |
| 6. | Total differently abled workers (F + G) | 0 | 0 | 0.00 | 0 | 0.00 |

21. Participation/Inclusion/Representation of women

| | Total (A) | No. and percentage of Females | |
|--------------------------|-----------|-------------------------------|-----------|
| | | No. (B) | % (B / A) |
| Board of Directors | 8 | 1 | 12.50 |
| Key Management Personnel | 3 | 0 | 0.00 |

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

| | 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 | 7.68% | 29.41% | 8.22% | 6.10% | 13.60% | 6.40% | 9.09% | 23.53% | 9.49% |
| Permanent Workers | 2.64% | 25.00% | 2.85% | 1.90% | 20.00% | 2.10% | 3.31% | 0.00% | 3.27% |

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

23. (a) Names of holding / subsidiary / associate companies / joint ventures

| S. No. | Name of the holding / subsidiary / associate companies / joint ventures (A) | Indicate whether holding/ Subsidiary/ Associate/ Joint Venture | % of shares held by listed entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/ No) |
|--------|---|--|-----------------------------------|---|
| 1 | Chambal Infrastructure Ventures Limited | Subsidiary | 100.00 | No |
| 2 | CFCL Ventures Limited | Subsidiary | 72.27 | No |
| 3 | ISGN Corporation | Subsidiary | 72.27 | No |
| 4 | ISG Novasoft Technologies Limited | Subsidiary | 72.27 | No |
| 5 | Indo Maroc Phosphore S.A.- IMACID | Joint Venture | 33.33 | No |

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013 (Yes/No): Yes

(ii) Turnover (in Rs.) - Rs. 1,66,46,19,77,153

(iii) Net Worth (in Rs.) - Rs. 86,83,20,50,373

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

| 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 | https://chambalfertilisers.com/pdf/Grievance-Redressal-Mechanism.pdf | 0 | 0 | - | 0 | 0 | - |
| Investors (other than shareholders) | Yes | | 0 | 0 | - | 0 | 0 | - |
| Shareholders | Yes | | 278 | 12 | - | 213 | 4 | - |
| Employees and workers | Yes | | 100* | 0 | - | 66* | 5 | - |
| Customers | Yes | | 157 | 0 | - | 11 | 1 | - |
| Value Chain Partners | Yes | | 0 | 0 | - | 0 | 0 | - |
| Other (please specify) | Not Applicable | | 0 | 0 | - | 0 | 0 | - |

* These complaints were received from contract labourers.

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:

| S. 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. | Safety and working conditions | Risk | Safety and working conditions are important due to the inherent hazards associated with handling of Ammonia in a fertiliser plant. Ensuring employee safety, mitigating environmental impact and adhering to regulations are therefore paramount. Safety incidents can lead to loss of life, damage reputation and incur significant financial costs. | The Company has implemented a comprehensive Health & Safety Management System aligned with ISO 45001:2018, identifying the risks and hazards and preparing appropriate mitigation plans. Additionally, the Company conducts regular trainings and mock drills and has developed an on-site disaster management plan to enhance preparedness. A three-tier safety review system operates at the plant, management, and safe-operations committee levels to address workplace safety concerns. | Negative |
| 2. | Energy & emission management | Risk | As a fertiliser Company, energy-intensive processes and emissions contribute to climate change and environmental degradation. Prioritizing energy efficiency and emission reduction aligns with global sustainability goals, regulatory requirements and stakeholder expectations. The incentives and subsidies in fertiliser sector are also linked to energy optimization. By managing energy consumption and emissions responsibly, the Company has enhanced its environmental stewardship, kept its operational cost low and ensured a long-term business resilience. | The Company is committed to reducing energy consumption and has adopted several key strategies to achieve this goal. These strategies include implementing initiatives to reduce energy usage, utilizing waste heat, pursuing renewable energy options, and using energy-efficient products wherever possible. Additionally, the Company has engaged process licensors to develop and implement energy efficiency measures and to reduce and offset emissions. Further initiatives include conducting periodic air quality checks, monitoring stack emissions, and implementing the plant's trip interlock system. | Negative |
| 3. | Waste Management | Opportunity | Efficient waste management can lead to resource recovery, cost savings and reduced environmental impact. Implementing recycling and waste reduction practices has optimized resource utilization and lowered disposal expenses. Moreover, meeting waste management standards and regulatory compliance has enabled the Company to foster positive relationship with stakeholders and reinforces Company's commitment to environmental stewardship. | Not Applicable | Positive |

| S. 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) |
|--------|---------------------------|--|--|---|--|
| 4. | Water Management | Risk | The Company's operations require significant water for various processes which may lead to potential impact on local water resources. Ensuring responsible water management is crucial to conserve this vital resource, minimize environmental harm and meet regulatory requirements. | The Company has developed a water management plan to ensure business continuity. This plan includes construction of anicuts on Kalisindh and Parwan Rivers to harvest rainwater for process water consumption. Additionally, the plan focuses on reuse and recycling of utilized water and maintaining water storage within the complex to meet 7-days' requirement and support maintenance work. The Company also has an arrangement to draw water from the Right Main Canal, Kota as needed, especially in drought years. | Positive |
| 5. | Product Stewardship | Risk | As the Company deals in fertilisers and agri-inputs, the products can have implications on soil, water and ecosystem health. Failing to prioritize responsible product design, usage and disposal could lead to environmental contamination, harm to biodiversity and risks to human health. Non-compliance with product safety regulations can also result in legal consequences and damage the Company's reputation. | <p>We deal only in compliant products. The Company has taken a conscious and responsible decision to focus exclusively on promoting and selling green triangle chemistry products, while refraining from the sale of red triangle chemistry products. This reflects our commitment to ensuring farmer safety, environmental sustainability, and regulatory compliance. The Company has a well-structured farmer advisory programme which focuses on sharing awareness on promoting responsible usage of products, boosting farmers' income and promoting sustainable farming practices. Apart from this programme, the farm advisory services of the Company also include soil and water testing services.</p> <p>The social media platforms of the Company are used to educate farmers on safe usage of the products. Additionally, a leaflet promoting safe and responsible usage of product is made part of the product packaging. A major milestone in our sustainability journey is our collaboration with The Energy and Resources Institute (TERI) to establish the "CFCL-TERI Centre of Excellence for Advanced and Sustainable Agriculture Solutions." This partnership aims to develop cutting-edge, eco-friendly agricultural technologies that improve soil health, enhance climate resilience, and contribute to national food security.</p> | Negative |

| S. 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) |
|--------|---------------------------|--|---|--|--|
| | | | | Through these focused initiatives, the Company is committed to ensuring product stewardship not only as a compliance requirement, but as a key enabler of sustainable and responsible farming. | |
| 6. | Customer Centricity | Opportunity | Customer centricity is important to the Company as it directly affects farmers' yields and livelihoods. It enables the Company to understand customers' situations, perceptions and expectations. Prioritizing customer-centric practices, such as providing quality products, support and farm advisory is crucial for building trust, fostering long-term relationships and ensuring sustainable business growth. | Not Applicable | Positive |
| 7. | Sustainable Agriculture | Opportunity | In view of the need to reduce carbon emissions and efficient use of natural resources, off-site impacts and risks are required to be considered. Sustainable farming practices enable positive environmental interventions through practices associated with crops and soil, increasing nutrients and water use efficiency and reducing greenhouse gas emissions. | Not Applicable | Positive |
| 8. | ESG Risk Management | Opportunity | Mapping ESG performance and adopting robust practices can enhance the Company's environmental stewardship, improve social impact and strengthen corporate governance. The Company also aspires to attract socially conscious customers, investors and other stakeholders leading to potential revenue growth and improved ESG ratings. | Not Applicable | Positive |
| 9. | Stakeholder Engagement | Opportunity | As we are a customer facing brand, stakeholder engagement (both internal and external) is important for us. It provides us an opportunity to understand stakeholders' concerns and expectations and address them appropriately to help the Company in achieving its desired goals and targets. | Not Applicable | Positive |

| S. 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) |
|--------|--|--|---|--|--|
| 10. | Community Engagement | Opportunity | Community is one of the major stakeholders impacted by our direct operations. Our objective is to create a long-term social impact through corporate social responsibility interventions. Engagement with communities to minimize possibility of conflicts and bring them onboard to ensure smooth operations is a strategic priority of the Company. | Not Applicable | Positive |
| 11. | Ethics and Transparency | Opportunity | Embracing ethics and transparency as an opportunity enhances corporate reputation, mitigates potential reputational risks and strengthens competitive advantage in the market, ultimately contributing to sustainable business growth. It has positioned the Company as a reputable and reliable partner in the fertiliser and agrochemical industry. | Not Applicable | Positive |
| 12. | Compliance | Risk | Identifying compliance as a material risk for the Company is due to the complex regulatory landscape in the fertiliser and agri-input industry. Non-compliance with environmental, safety and product regulations can lead to legal penalties, reputational damage and operational disruptions. | The Company has developed a legal tracking system to keep track of the applicable compliance obligations and renewal requirements. Regular reviews and internal & external audits ensure that regulatory compliances are adhered to. | Negative |
| 13. | Employee relations | Opportunity | We believe that encouraged employees are more productive, leading to improved operational efficiency and higher customer satisfaction. Investing in employee development and welfare enhances skills and promote innovation & adaptability thereby driving sustainable business success and social impact. | Not Applicable | Positive |
| 14. | Responsible Procurement & Sustainable Sourcing | Opportunity | Supply chain interruptions may impact our business continuity which has direct impact on our brand's reputation. Therefore, responsible procurement & sustainable sourcing is an important aspect for our business growth. Further, the Company intends to integrate social, ethical and environmental performance factors into the process of selecting suppliers and/or vendors. It also involves purchasing products made from recycled materials. | Not Applicable | Positive |

| S. 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) |
|--------|---------------------------|--|---|---|--|
| 15. | Biodiversity Management | Opportunity | Although the Company does not operate around any biodiversity sensitive zone, the products and services might impact the biodiversity footprint. Therefore, the Company endeavors to contribute towards betterment of surrounding biodiversity. | Not Applicable | Positive |
| 16. | Labour relations | Risk | Labour Management is critical for smooth operations in any organization. Labour Management and teamwork can improve performance across many dimensions including culture and job satisfaction. As a Company with a large labour pool, we are committed to the welfare and enhancing the skills of our workers thereby ensuring smooth operations. | The Company ensures disbursement of dues & benefits to contract workers applicable under different acts and rules. Further, Industrial Relations department at Gadepan plant ensures that grievances are dealt in a timely and responsible manner. The Company has put in place a Supplier's Code of Conduct for its vendors and service providers. This code defines the basic principles to meet the Company's standards in the areas of labour practices, which includes human rights and safe & healthy working conditions. | Negative |
| 17. | Human Rights | Risk | Considering the Company has a large labour pool and over one thousand supply partners; human rights are a critical issue for us as it may lead to reputation and operational disruption. | We are creating awareness on Human Rights issues, including awareness on prohibition of sexual harassment, to all permanent and contractual employees and workers annually. Further, the Code of Conduct and Ethics, Human Resource and Employee Relations Policy and Suppliers' Code of Conduct of the Company define the basic principles to meet the Company's standard in labour practices, human rights, safe and healthy working conditions, environment protection and business integrity. | Negative |
| 18. | Diversity and Inclusion | Opportunity | The Company has adopted an equal opportunity policy and is committed to enhance the representation of women and differently abled, wherever possible. | Not Applicable | Positive |

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

| Disclosure Questions | | | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|----|---|--|---|---|-----|--|-----|-----|---|-----|
| Policy and management processes | | | | | | | | | | | |
| 1. | a. | Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| | b. | Has the policy been approved by the Board? (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| | c. | Web Link of the Policies, if available | The policies are available on the website of the Company at the following links: http://www.chambalfertilisers.com/brrpolicies https://www.chambalfertilisers.com/policiescodes/ | | | | | | | | |
| 2. | | Whether the entity has translated the policy into procedures. (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 3. | | Do the enlisted policies extend to your value chain partners? (Yes/No) (Refer Note No. 1) | No | No | No | No | No | No | No | No | No |
| Note No. 1 The Company has in place a Supplier's Code of Conduct for its vendors and service providers. This code defines the basic principles to meet the Company's standards in the areas of labour practices and human rights, safe and healthy working conditions, environment protection and business integrity. | | | | | | | | | | | |
| 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. | ISO 9001 (Quality Management System Standard) | ISO 14001 (Environment Management System Standard) ISO 9001 (Quality Management System Standard) | ISO 45001 (Occupational Health and Safety Management System Standard) | | ISO 14001 (Environment Management System Standard) | | | ISO 9001 (Quality Management System Standard) | |
| 5. | | Specific commitments, goals and targets set by the entity with defined timelines, if any. | The Company's ESG goals established for a five-year period beginning Financial Year 2022-23 with baseline of Financial Year 2021-22, and the progress of the Company evaluated against each of these goals through the end of Financial Year 2024-25, is provided in subsequent table. | | | | | | | | |
| 6. | | Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met. | | | | | | | | | |

| NGRBC Principle | Goals | Performance Indicator | Performance Progress |
|--------------------|---|---|--|
| Environment | | | |
| Principle 6 | Tackle Climate Change and reduce Greenhouse gas emissions through state of art technologies and green interventions | <ul style="list-style-type: none"> ● Reduce Scope 1 emission in Urea production by ~ 2.8% ● Reduce total specific energy consumption for Urea production (Gcal/ MT of Urea) by 1% ● Increase the share of renewable energy in our total electrical power consumption by 10% ● Conduct full assessment of all sites / offices for Scope 3 emission resulting from employee commutation | <ul style="list-style-type: none"> ● Scope 1 emission in Urea production reduced by ~ 8 % ● Total specific energy consumption for Urea production reduced by 3% ● Achieved 0.54% of renewable energy share of total electrical power consumption of FY 2024-25 ● We plan to prioritize the mapping of Scope 3 emissions from employee commutation in the coming years |
| Principle 6 | Achieve zero waste to landfill through our 4 R concept for Waste Management | <ul style="list-style-type: none"> ● 100% recycle of RO Sludge ● Conduct full assessment of solid waste generated at Gadepan plant premises | <ul style="list-style-type: none"> ● 100% recycling of RO Sludge achieved ● Solid waste assessment concluded |
| Principle 6 | Sustainably manage and augment water resources to meet the needs of our business and surrounding communities | <ul style="list-style-type: none"> ● Conduct full water assessment of our operations at Gadepan plant premises ● The proposed Technical Ammonium Nitrate Plant to be Zero Liquid Discharge Plant ● Recharge the groundwater by practicing rooftop rainwater harvesting in Gadepan plant premises – forty (40) recharge units | <ul style="list-style-type: none"> ● Concluded full water assessment of operations at Gadepan plant premises ● Reverse Osmosis- Zero Liquid Discharge Plant will be commissioned in FY 2025-26 as per schedule along with Technical Ammonium Nitrate Plant ● Feasibility study regarding rooftop rainwater harvesting at Gadepan has been concluded. The study indicates a healthy and stable groundwater table with sufficient natural recharge. Therefore, the installation of artificial recharge structures at this location may not yield significant environmental benefits |
| Principle 2 | Responsibly design, manufacture and manage our products throughout their lifecycle, and promote awareness on sustainable use | <ul style="list-style-type: none"> ● Conduct ESG awareness on ESG practices and policies for five (5) % suppliers annually ● Conduct a detailed life cycle analysis (LCA) of own manufactured products ● Engage with 3,50,000 farmers and to provide them awareness on safe and sustainable use of our products | <ul style="list-style-type: none"> ● ESG awareness on 9 principles of BRSR concluded for 10% of suppliers ● Life cycle analysis of Urea concluded in FY 2024-25 ● Engaged with 1,90,000 farmers through our farmers outreach programs like 'Seed To Harvest' and 'Uttam Poshan Aahar' to provide them awareness on safe and sustainable use of our products |
| Principle 6 | Create a positive impact on nature by protecting, conserving, and managing the environment and natural resources for the present and future generations | <ul style="list-style-type: none"> ● Planting 1,50,000 tree saplings in and around Gadepan plant premises | <ul style="list-style-type: none"> ● Total 39,000 tree saplings have been planted inside the Gadepan plant premises |
| Social | | | |
| Principle 3 | Lead best in class standards of Safety, Health and Hygiene, and foster a culture of continuous benchmarking to world class standards | <ul style="list-style-type: none"> ● Achieve safety training man-hours > 10,000 ● Achieve total recordable injuries rate <0.4 ● 100% compliance to the annual safety improvement plan | <ul style="list-style-type: none"> ● Achieved 12,250 safety training man-hours ● Achieved total recordable injuries rate of 0.30 ● 100% adherence to the annual safety improvement plan |

| NGRBC Principle | Goals | Performance Indicator | Performance Progress |
|-----------------------------|---|--|---|
| Principle 2 and Principle 9 | Provide best-in-class products and services to our customers in a sustainable and responsible manner | <ul style="list-style-type: none"> Develop and implement best-in-class Customer grievance framework Carry out customer satisfaction survey once in two years and achieve customer satisfaction index as per plan | <ul style="list-style-type: none"> We have introduced innovative interventions such as Uttam Samadhan, a WhatsApp chatbot solution available in five languages i.e. Hindi, English, Marathi, Punjabi, and Telugu. Additionally, our toll-free service Hello Uttam is supported by 5 Hello Uttam Experts (1 regional language and 4 Hindi speaking experts) offering customers a human touchpoint to resolve queries and seek guidance seamlessly. These initiatives have laid a strong foundation for improving customer satisfaction and addressing grievances effectively. Building upon this groundwork, we are committed to advancing our efforts by implementing a comprehensive Customer grievance framework in the current fiscal year. Customer satisfaction survey shall be concluded during FY 2025-26. |
| Principle 4 | Build sustainable and mutually beneficial relationships with the communities we serve through interventions in: <ul style="list-style-type: none"> Infrastructure Water Conservation Sustainable agriculture Sports promotion | <ul style="list-style-type: none"> Transforming six (6) villages surrounding the Gadepan Plant into model villages | <ul style="list-style-type: none"> All six (6) neighboring villages surrounding the Gadepan Plant are currently undergoing a transformation into model villages in a phased manner. Over the course of this year, significant strides have been made towards this endeavor. These include development of essential infrastructure such as cement concrete roads with covered drains, construction of community halls, improvement of school infrastructure, construction of community toilet blocks, renovation of crematoriums in villages, installation of streetlights, repair and maintenance of veterinary hospital etc. Solid waste management system is strengthened in these villages, including door-to-door waste segregation and collection through dedicated Electrical vehicles. Apart from small waste collection units in each village, a dedicated "Resource recovery cum waste segregation center" was developed in Gadepan village under the initiative. These initiatives reflect our commitment to improving the living standards and overall well-being of the communities in which we operate. |

| NGRBC Principle | Goals | Performance Indicator | Performance Progress |
|-------------------|--|---|---|
| | | <ul style="list-style-type: none"> Rejuvenating existing ponds and practicing rainwater harvesting to enhance water availability in six (6) core villages surrounding plant premises Crop residue management program to cover 3,00,000 acre Land and 30,000 Farmers Providing best-in-class sports infrastructure in all adopted forty-five (45) schools | <ul style="list-style-type: none"> Notable progress was made during the financial year 2024-25. Specifically, the Company has installed five (5) rooftop rainwater harvesting structures in schools within nearby villages of the Gadepan complex. Crop residue burning was successfully curtailed across approximately 4.93 lakh acres of agricultural land in Punjab and Haryana. Our extensive outreach efforts engaged more than 50,000 small and marginalized farmers, promoting sustainable alternatives to stubble burning. Notably, these efforts led to the prevention of approximately 7.57 lakh tons of greenhouse gas emissions, thereby contributing to climate change mitigation and improving regional air quality. Currently, sports activities are being streamlined across twenty (20) Government Senior Secondary Schools, Nine (9) Sports Development Centers, and the Mini stadium at Sangod Block. Moreover, sports activities have been seamlessly integrated into the mainstream educational curriculum, ensuring holistic development opportunities for students. The students are trained in 6 major sports, and their participation is ensured in various state, zonal and national level events during the year. |
| Principle 4 | Create long-term value for all stakeholders by fostering support, receiving feedback, and demonstrating accountability | <ul style="list-style-type: none"> Engage with stakeholder group at regular interval and implement Stakeholders engagement mechanism and plan | <ul style="list-style-type: none"> All relevant departments have remained actively engaged with the Company's stakeholders throughout the year. Various modes of engagement have been employed as per the devised plan, ensuring proactive resolution of stakeholders' grievances and creation of long-term value through sustained collaboration with all stakeholders. |
| Principle 5 | Embody the principles of dignity and respect by entrenching a culture of respect for human rights | <ul style="list-style-type: none"> Provide awareness on human rights issues, including awareness on prohibition of sexual harassment, to all permanent and contractual employees and workers annually | <ul style="list-style-type: none"> 100% permanent and contractual employees and workers were reached through awareness sessions. |
| Governance | | | |
| Principle 1 | Foster a culture of transparency, accountability and integrity in our business and partnerships | <ul style="list-style-type: none"> Conduct awareness on issues and principles of Ethics and Transparency, including those of ESG to all the employees | <ul style="list-style-type: none"> 48.31% employees and workers were reached through awareness sessions on 9 principles of BRSR, including those of Ethics and Transparency. |
| Principle 8 | Build a responsible value chain that upholds the principles of Environment, Social and Governance | <ul style="list-style-type: none"> Conduct ESG awareness on ESG practices and policies for 5% suppliers annually as per plan Engage with 5% suppliers annually through vendor/supplier meet to aware them on principles of ESG | <ul style="list-style-type: none"> ESG awareness session on the 9 principles of BRSR was successfully conducted for the top 10 suppliers by purchase value, excluding gas suppliers. 5% of suppliers engaged through vendor/supplier meet held at Gadepan. |

Governance, leadership and oversight

| | | |
|----|---|---|
| 7. | Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements <i>(listed entity has flexibility regarding the placement of this disclosure)</i> | <p>I am pleased to present CFCL's ESG journey during FY-25. For us, ESG is not merely a responsibility, but a strategic imperative to future-proof the business and create long-term stakeholder value.</p> <p>In the past, we have fortified our approach to sustainability by pro-actively addressing the critical environmental challenges, expanding our social impact, and reinforcing robust governance practices. The key focus areas included reducing carbon footprint, expanding circularity in operations, promoting sustainable agriculture, and enhancing transparency and accountability.</p> <p>On the environmental front, we achieved a further reduction in specific carbon emissions to 0.415 MT CO₂ per MT of Urea, and specific water consumption declined to 4.04 m³/MT of Urea. Energy-saving initiatives implemented across all the three plants in Gadepan, especially those which were implemented during the annual turnaround, delivered better-than-expected outcome. We continue to invest in technology upgradation, drive resource efficiency, and actively work towards reducing our carbon footprint.</p> <p>On the social front, our focus is embedded on enhancing stakeholder well-being via a comprehensive approach that includes skill development programs, occupational health and safety measures, targeted CSR interventions, and inclusive growth initiatives. For the communities we serve, efforts of CFCL span critical areas such as education, healthcare, women empowerment, livelihood generation, and rural infrastructure development. Collectively, these initiatives have positively impacted thousands of lives across the operational ecosystem, reaffirming our commitment to inclusive and sustainable development.</p> <p>A cornerstone of our long-term environmental and social commitment is our drive to empower farmers with knowledge and sustainable solutions. Under our flagship 'Seed-to-Harvest' program, we engaged over 9,000 villages, conducted 11,825 demonstrations, and facilitated soil testing of over 10.5 lakh samples. Our collaboration with The Energy and Resources Institute (TERI) to establish the "CFCL - TERI Centre of Excellence for Advanced and Sustainable Agriculture Solutions" is a significant milestone in our endeavour to develop innovative eco-friendly agri-solutions to improve soil health, bolster climate resilience, and support food security.</p> <p>The successful launch of Uttam Superrhiza (Biofertilizer) and upcoming introduction of biological fungicides and nematicides further underscore our commitment to green farmer-centric innovation. In addition, our crop residue management initiatives helped to offset 3.66 lakh tons of greenhouse gas emissions, contributing meaningfully to air quality improvement in the region.</p> <p>On the governance front, we have reinforced the risk management framework and continued to embed a culture of integrity and compliance across the Company's operations. We adopted digital monitoring systems, strengthened grievance redressal mechanisms, and maintained transparent stakeholder engagement around key ESG themes. Our operational and financial discipline is reflected in our impressive performance and zero net debt position.</p> <p>Going forward, we remain committed to push the boundaries to scale up sustainable technologies, deepening community partnerships, and upholding good corporate governance.</p> |
| 8. | Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies). | <p>Name: Abhay Bajjal</p> <p>Designation: Managing Director</p> |
| 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. | <p>Yes, the Management Committee of the Company is responsible for decision making on sustainability related issues.</p> |

| | | | | | | | | | | | | | | | | | | | | |
|-----|---|--|---|----|----|----|----|----|----|----|----|---|----|----|----|----|----|----|----|----|
| 10. | Details of Review of NGRBCs by the Company: | | | | | | | | | | | | | | | | | | | |
| | Subject for Review | | Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee | | | | | | | | | Frequency (Annually/ Half yearly/ Quarterly/ Any Other- please specify) | | | | | | | | |
| | | | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
| | Performance against above policies and follow up action | | Policies and procedures are periodically reviewed by the Board/ Board Committees/ Departmental Heads, as and when applicable. | | | | | | | | | Annually / Periodically | | | | | | | | |
| | Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances | | | | | | | | | | | | | | | | | | | |
| 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. | | | | | | | | | | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 | |
| | | | | | | | | | | | No | No | No | No | No | No | No | No | No | No |

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated: **Not Applicable**

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

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 (BoD) | 1 | Training and awareness programmes were conducted on the nine (9) Principles of NGRBC. | 100 |
| Key Managerial Personnel (KMP) | 1 | Training and awareness programmes were conducted on the nine (9) Principles of NGRBC. | 100 |
| Employees other than BoD and KMPs | 1 | Training and awareness programmes were conducted on the nine (9) Principles of NGRBC. | 48.91 |
| Workers | 0 | Not applicable | 0.00 |

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 Requirements) 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 | | | | |
| Settlement | | | | | |
| Compounding Fee | | | | | |
| 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 | | | | |
| Punishment | | | | | |

* There are no fines/ penalties/ punishment/ award/ compounding fees/ settlement amount paid in proceedings by the Company with regulators/ law enforcement agencies/ judicial institutions in the financial year which are material as specified in Regulation 30(4)(i)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Please refer to Company's website at <http://investor.chambalfertilisers.com/CorporateAnnouncements.aspx> to access the disclosures made to the stock exchanges under Regulation 30 of Listing Regulations.

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 | Not Applicable |

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. The Code of Conduct and Ethics of the Company is applicable to all the Directors and Employees of the Company. The Code of Conduct and ethics includes a section on anti-bribery and anti-corruption, which requires Directors and Employees to comply with anti-corruption and anti-bribery laws and not indulge in any act or practice which results into breach of such laws. Payment of bribes, kickbacks, facilitation payments and/or other payments is prohibited.

The Whistle Blower Policy of the Company, inter-alia, enables Directors, and other stakeholders i.e., employees of the Company, employees of other agencies deployed for the Company's activities, contractors, vendors, suppliers, or agencies providing any material or service to the Company, shareholders, customers and business partners of the Company to report instances of unethical behavior, actual or suspected fraud, violation of the Code of Conduct and Ethics of the Company or leak of unpublished price sensitive information.

The Company also has in place a Supplier's Code of Conduct which covers issues relating to ethics and bribery, and the code is shared with the concerned suppliers/service providers. The Code of Conduct and Ethics, Whistle Blower Policy and the Supplier's Code of Conduct are available at the following links -

<http://www.chambalfertilisers.com/policiescodes>

<http://www.chambalfertilisers.com/brrpolicies>

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 | 0 | 0 |
| KMPs | 0 | 0 |
| Employees | 0 | 0 |
| Workers | 0 | 0 |

6. Details of complaints with regard to conflict of interest:

| | FY 2024- 25 (Current Financial Year) | | FY 2023- 24 (Previous Financial Year) | |
|--|---|---------|--|---------|
| | Number | Remarks | Number | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | 0 | - | 0 | - |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs | 0 | - | 0 | - |

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

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 | 19.24 | 25.17 |

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 | 76.21 | 79.67 |
| | b. Number of trading houses where purchases are made from | 348 | 394 |
| | c. Purchases from top 10 trading houses as % of total purchases from trading houses | 99.51 | 99.58 |

| Parameter | Metrics | FY 2024-25 (Current Financial Year) | FY 2023-24 (Previous Financial Year) |
|------------------------|--|--|---|
| Concentration of Sales | a. Sales to dealers/ distributors as % of total sales | 90.44 | 90.75 |
| | b. Number of dealers/ distributors to whom sales are made | 3995 | 3802 |
| | c. Sales to top 10 dealers/ distributors as % of total sales to dealers/ distributors | 15.13 | 16.80 |
| Share of RPTs in | a. Purchases (Purchases with related parties as % of Total Purchases) | 0.00 | 0.00 |
| | b. Sales (Sales to related parties as % of Total Sales) | 0.00 | 0.00 |
| | c. Loans & advances (Loans & advances given to related parties as % of Total loans & advances) | 0.00 | 0.00 |
| | d. Investments (Investments in related parties as % of Total Investments made) | 0.00 | 0.00 |

| 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 |
| 0 | Not Applicable | 0.00 |

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. As per the Code of Conduct and Ethics of the Company, process is in place to avoid/ manage conflict of interests involving members of the Board.

The Code of Conduct and Ethics states that the Directors and Employees shall not engage in any activity or enter into any pecuniary relationship which might result in conflict of interest, either directly or indirectly.

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

| Essential Indicators | | | | |
|----------------------|--|---------------------------------|----------------------------------|---|
| 1. | Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively. | | | |
| | | Current Financial Year 2024- 25 | Previous Financial Year 2023- 24 | Details of improvements in environmental and social impacts |
| | Research & Development (R & D) | 0.00% | 0.00% | The Company is a manufacturing organization and is not engaged in any major research and development activity. However, during the current financial year the company has collaborated with The Energy and Resources Institute (TERI) to establish the "CFCL - TERI Centre of Excellence for Advanced and Sustainable Agriculture Solutions" to develop innovative eco-friendly agri-solutions to improve soil health, bolster climate resilience, and support food security. |
| | (Capex) | 4.03% | 47.28% | During the financial year 2024-25, a thermo-compressor was installed in Urea-III 'A' train to recover low-pressure steam and save approximately 0.9 MT/hr of high-pressure steam. This initiative is aimed at enhancing energy efficiency, reducing fuel consumption, and lowering associated emissions. The following initiatives were implemented during the financial year 2023-24, with a portion of the capital expenditure realized in financial year 2024-25: <ul style="list-style-type: none"> • Upgrading of synthesis gas compressor turbine in Ammonia-I plant. • Installation of balance top seven super cup trays in each unit of Urea-I plant. • Conversion of Low Pressure (LP) steam condensate stripper to Medium Pressure (MP) steam stripper in Ammonia-I plant. • Upgrading of Synthesis Gas compressor Turbine in Ammonia-II plant. • Replacement of Synthesis gas converter basket with improved design along with new catalyst in Ammonia-II plant. • Installation of Rooftop solar panels of 770 kilo watt (AC) peak power. |

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No) – Yes
b. If Yes, what percentage of inputs were sourced sustainably? - 94.47%

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) | The Company uses plastic as packaging material for its products. The Company does not have a mechanism in place for reclaiming of packaging material, however, we do encourage the customers to reuse the packaging material to the extent possible. Furthermore, we off-set any and all plastics introduced by us in the marketplace, by adhering to our Extended Producer Responsibility obligations as provided under Plastic Waste Management Second Amendment Rules 2024. |
| (b) E-waste | The products of the Company and their packaging material do not comprise of electrical & electronic material; therefore, no E-waste is generated. |
| (c) Hazardous waste | Hazardous waste is not generated from products sold by the Company, or from their packaging material. |
| (d) Other waste | NIL |

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. The waste collection plan is in line with the Extended Producer Responsibility (EPR) plan as provided under Plastic Waste Management Second Amendment Rules, 2024 and the same is submitted to Rajasthan State Pollution Control Board. |
|---|

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 |
|----------|--------------------------|---------------------------------|---|---|---|
| 24123 | Urea | 76.35 | Cradle to gate | Yes | No |

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 |
|--------------------------|---|---|
| Urea | The Life Cycle Assessment identified high greenhouse gas (GHG) emissions associated with the production of Urea, particularly from natural gas, used both as a feedstock and energy source. The embodied emissions of upstream natural gas extraction and transportation, coupled with combustion emissions during steam and power generation, significantly contribute to climate change impact (394.48 kg CO ₂ eq per tonne of Urea produced). | The Company has adopted several mitigation strategies to reduce environmental impact. These include utilizing CO ₂ generated from ammonia production internally in the urea synthesis process (thereby reducing external carbon input), optimizing energy efficiency, deploying waste heat recovery systems, and benchmarking emissions against global datasets (Ecoinvent). The study estimates an environmental cost savings of approximately ₹9 lakh/day through mitigation measures compared to standard practices. The Company continues to pursue technology upgrades and efficiency improvements to further minimize lifecycle impacts. |

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 |
| Process Condensates | 84.26% | 82.20% |

Note: Process water quality was improved by optimizing the stripping steam parameters

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 | 0 | 0 | 0 | 0 | 0 |
| E-waste | 0 | 0 | 0 | 0 | 0 | 0 |
| Hazardous waste | 0 | 0 | 0 | 0 | 0 | 0 |
| Other waste | 0 | 0 | 0 | 0 | 0 | 0 |

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 |
|---------------------------|---|
| | Nil |

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 | Total (A) | % of employees covered by | | | | | | | | | |
| | | 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 | 664 | 664 | 100.00 | 664 | 100.00 | 0 | 0.00 | 0 | 0.00 | 664 | 100.00 |
| Female | 17 | 17 | 100.00 | 17 | 100.00 | 17 | 100.00 | 0 | 0.00 | 17 | 100.00 |
| Total | 681 | 681 | 100.00 | 681 | 100.00 | 17 | 2.50 | 0 | 0.00 | 681 | 100.00 |
| Other than Permanent employees | | | | | | | | | | | |
| Male | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| Female | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| Total | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| b. Details of measures for the well-being of workers: | | | | | | | | | | | |
| Category | Total (A) | % of workers covered by | | | | | | | | | |
| | | 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 | 417 | 417 | 100.00 | 417 | 100.00 | 0 | 0.00 | 0 | 0.00 | 417 | 100.00 |
| Female | 4 | 4 | 100.00 | 4 | 100.00 | 4 | 100.00 | 0 | 0.00 | 4 | 100.00 |
| Total | 421 | 421 | 100.00 | 421 | 100.00 | 4 | 0.95 | 0 | 0.00 | 421 | 100.00 |
| Other than Permanent workers | | | | | | | | | | | |
| Male | 2203 | 2203 | 100.00 | 2203 | 100.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| Female | 15 | 15 | 100.00 | 15 | 100.00 | 15 | 100.00 | 0 | 0.00 | 0 | 0.00 |
| Total | 2218 | 2218 | 100.00 | 2218 | 100.00 | 15 | 0.68 | 0 | 0.00 | 0 | 0.00 |
| c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format - | | | | | | | | | | | |
| | | | | FY 2024- 25 | | | | FY 2023-24 | | | |
| | | | | Current Financial Year | | | | Previous Financial Year | | | |
| Cost incurred on wellbeing measures as a % of total revenue of the company | | | | 0.03% | | | | 0.03% | | | |

2. Details of retirement benefits, for Current Financial Year 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 | 100 | Y | 100 | 100 | Y |
| Gratuity | 100 | 100 | N.A. | 100 | 100 | Y |
| ESI | 0 | 0 | N.A. | 0 | 100 | Y |
| Others - Health Insurance | 100 | 0 | Y | 100 | 0 | Y |
| # Employees - permanent employees and workers | | | | | | |
| * Workers - non-permanent contractual workers | | | | | | |

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.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide the web-link to the policy.

Yes. weblink of the policy is as under - <https://chambalfertilisers.com/pdf/Equal%20Employment%20Opportunity%20Policy.pdf>

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

Only female employees are provided with parental leaves. No parental leaves were claimed during the Financial Year 2024-25.

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) | Remark |
|--------------------------------|--|---|
| Permanent Workers | Yes | The Grievance Redressal Committee was constituted as per Section 9C of the Industrial Disputes Act, 1947. Grievances of permanent workers are resolved as per the mandate of the Grievance Redressal Committee, Whistleblower Policy of the Company and Industrial Disputes Act, 1947. |
| Other than Permanent Workers | Yes | The Company has a grievance redressal mechanism to resolve grievances of the contractual workforce. The aggrieved contractual workforce can report to the concerned supervisor. If a grievance is not resolved at supervisor's end, the same is escalated and recorded in the grievance register at Industrial Relations (IR) help desk, located in plant premises at Gadepan. IR initiates the investigation to resolve the issue through counselling / course correction / meetings with the aggrieved worker. If required, the grievance may be addressed / escalated to the State's Labour Department. |
| Permanent Employees | Yes | Guided by the grievance redressal mechanism, the employees of the Company may register their complaints/ grievances to their immediate supervisor. The employees of the Company including contractual employee can also directly contact the Head of Human Resources and Administration of the Company to raise any concern or register any grievance. The Whistle Blower Policy of the Company also, inter-alia, provides a mechanism to the Directors and Employees to report instances of unethical behavior, actual or suspected fraud, violation of the Code of Conduct and Ethics of the Company or leak of unpublished price sensitive information. All employees have personal access to HR Team. Contact details are circulated and regular sessions are being conducted to address employee grievances. |
| Other than Permanent Employees | Yes | The Whistle Blower Policy enables other stakeholders i.e., employees of other agencies deployed for the Company's activities, contractors, vendors, suppliers or agencies providing any material or service to the Company, shareholders, customers and business partners to report instances of unethical behavior etc. |

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

There was no employees or workers association or union in the Company as on March 31, 2025.

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 Skill upgradation | | Total (D) | On Health and safety measures | | On Skill upgradation | |
| | | No. (B) | % (B / A) | No. (C) | % (C / A) | | No. (E) | % (E / D) | No. (F) | % (F / D) |
| Employees | | | | | | | | | | |
| Male | 664 | 360 | 54.22 | 642 | 96.69 | 635 | 324 | 51.02 | 564 | 88.82 |
| Female | 17 | 5 | 29.41 | 17 | 100.00 | 22 | 4 | 18.18 | 21 | 95.45 |
| Total | 681 | 365 | 53.60 | 659 | 96.62 | 657 | 328 | 49.92 | 585 | 89.04 |
| Workers | | | | | | | | | | |
| Male | 417 | 402 | 96.40 | 381 | 91.37 | 427 | 406 | 95.08 | 280 | 65.57 |
| Female | 4 | 4 | 100.00 | 3 | 75.00 | 5 | 0 | 0.00 | 4 | 80.00 |
| Total | 421 | 406 | 96.44 | 384 | 91.21 | 432 | 406 | 93.98 | 284 | 65.74 |

9. Details of performance and career development reviews of employees and worker:

| 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 | 664 | 664 | 100.00 | 635 | 635 | 100.00 |
| Female | 17 | 17 | 100.00 | 22 | 22 | 100.00 |
| Total | 681 | 681 | 100.00 | 657 | 657 | 100.00 |
| Workers | | | | | | |
| Male | 417 | 417 | 100.00 | 427 | 427 | 100.00 |
| Female | 4 | 4 | 100.00 | 5 | 5 | 100.00 |
| Total | 421 | 421 | 100.00 | 432 | 432 | 100.00 |

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, an occupational health and safety management system has been implemented in the Company to ensure a safe and healthy working condition for its employees and workers. The Company is certified for ISO 45001:2018 OHS Management System, underscoring its unwavering adherence to internationally recognized standards and best practices to ensure the well-being and safety of its workforce. |
| b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity? | <p>For all jobs of routine nature, risk assessments are carried out and subsequently procedures are developed. For all other non-routine category jobs, Job Safety Analysis and Hazard and Operability study are carried out and work is executed in strict adherence to the same.</p> <p>Furthermore, following steps are taken to ensure health & safety at the plants:</p> <ul style="list-style-type: none"> a) In-house Statutory Safety Audit (as per IS 14489) is done every alternate year. b) Monthly Safety Inspection of the entire plant is done by the Safety Department personnel. c) Process Safety Management audit by trained Process Safety Management auditors is done on half-yearly basis for operations and on yearly basis for service departments. d) Annual Audit of hazardous storages is done by Safety and Operations department. e) Plant inspections are carried out by cross functional team of Operations, Maintenance, Safety and Environment & Quality Control department on half-yearly basis. f) External Integrated Management System Audits are carried out by external agency i.e., M/s British Standards Institution twice every year. |
| c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N) | <p>Yes.</p> <p>Various systems have been formulated to record complaints, violations, deviations, and suggestions such as Central Safety Committee meetings, Plant Safety Committee meetings, and Safety software for employees which act as strong platforms for deliberations and action planning.</p> <p>Contractor employees have been provided with similar facilities like Suggestion Box, Contractor Safety Committee Meeting, etc. to report any hazard. All the reported hazards are noted, action plans determined and closure of the same is facilitated. Further, frequent audits and inspections are done to ensure that all hazards are addressed.</p> |

| | |
|---|---|
| d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/No) | <p>Yes</p> <p>The Company Health Center extends its services beyond occupational health, catering to the overall well-being of all workers with medical and health provisions. In addition to access to general practitioners, the health center hosts specialist physicians who make regular visits and offer their expertise through consultations which are open to all workers. Additionally, it enriches health care with physiotherapy sessions for musculoskeletal concerns and consultations with homeopathic practitioners, ensuring comprehensive health management tailored to individual needs.</p> |
|---|---|

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 | 0.54 |
| | Workers | 0.21 | 0 |
| Total recordable work-related injuries | Employees | 1 | 1 |
| | Workers | 1 | 0 |
| No. of fatalities | Employees | 0 | 0 |
| | Workers | 0 | 0 |
| High consequence work-related injury or ill-health (excluding fatalities) | Employees | 0 | 0 |
| | Workers | 0 | 0 |

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

| |
|---|
| <p>The Company has in place a Health & Safety Management System aligned with ISO 45001:2018. The Company has a three-tier safety review system comprising plant, management and safe operations committees. The Company has also set up various committees (having representation from all concerned departments) at the plant level which includes Plant Safety Committee, Central Safety Committee, Contractor Safety Committee, Integrated Management System Steering Committee etc., which meet periodically to discuss safety concerns at workplace.</p> <p>The Company conducts health & safety trainings, in addition to job safety trainings. Further, all provisions pertaining to Personal Protective Equipment and Fire Safety and Emergency Response are in place at the location of plants at Gadepan. The Company has a well-equipped health center with experienced professionals within the Gadepan plant, and well-equipped ambulances are available on round-the-clock basis for any medical emergencies.</p> <p>The Company ensures a safe and healthy workplace for all its employees and workers by taking into consideration the following additional measures:</p> <ul style="list-style-type: none"> - Implementation of Engineering control - Risk Assessment and Procedures (SOPs) of all the activities - Health and Safety Trainings on a regular basis - Mock drills and fire drills are regularly conducted to test emergency preparedness - Job Safety analysis of all the non-routine jobs - Permit to work system: Review of all the permits by operations and maintenance Deputy General Managers - Implementation and certification of Integrated Management system - Hazard and Operability Study - Quality and Quantitative Risk Assessment - Process Safety Management - Annual Safety Audits (External & Internal), Regular Safety Inspection - Monthly Senior Management Safety Observation round - Implementation of Behavior Based Safety - Annual health check-up of all employees |
|---|

13. 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 year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Working Conditions | 0 | 0 | - | 0 | 0 | - |
| Health & Safety | 0 | 0 | - | 0 | 0 | - |

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.

For any safety related incident, an incident investigation is carried out by team comprising members from process, maintenance, safety and the contractor representative. Detailed corrective action and preventive action (CAPA) is prepared, and a report is presented. The corrective actions are monitored and reviewed at Management level. The same is shared with all the concerns in the form of horizontal deployment for assessment and implementation.

| Leadership Indicators | |
|---|-----|
| 1. Does the entity extend any life insurance or any compensatory package in the event of death of | |
| (A) Employees (Y /N) | Yes |
| (B) Workers (Y /N) | Yes |

| |
|--|
| 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 is vigilant about ensuring that its value chain partners discharge their legal obligations in respect of workers' rights and welfare. The Company ensures that applicable labour welfare laws, are complied with, in letter and spirit. Industrial Relations department checks compliance of such applicable laws on regular basis against submission of documents related to deposit of Provident Fund, Employee State Insurance challans, payment of wages etc., which are required for creation of gate pass/permit for execution of job. These measures are part of work order terms, failing which gate pass is suspended. Also, additional fines may be levied on value chain partners in case of non-compliance of applicable laws. |

| | | | | |
|--|--|---|---|---|
| 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/are 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 | 0 | 0 | 0 | 0 |
| Workers | 0 | 0 | 0 | 0 |

| |
|--|
| 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 | 0 |
| Working Conditions | 0 |

| |
|--|
| 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. |
| None |

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. | | | | |
| <p>The Company's Stakeholder Engagement and Advocacy Policy serves as the cornerstone of our approach and commitment to stakeholder identification and engagement. We undertake stakeholder mapping exercises periodically to identify key stakeholders, enabling us to discern those who exert positive or negative influence on our business operations and are likely to be impacted by them. Stakeholders are categorized based on their influence, priority, and impact on the Company's operations. Our key stakeholders encompass Shareholders/Investors, Farmers, Dealers/Distributors, Employees/Workers, Local Community, Contractors/Vendors, Banks/Financial Institutions, Industry Associations, and State and Central Government entities.</p> <p>Stakeholder engagement, collaboration, and dialogue form an integral and ongoing process for shaping long-term value and informing business strategies. Through stakeholder engagement initiatives, the Company identifies key material topics which possess the potential to impact our business and are of significance to our stakeholders. We recognize that each stakeholder group is unique, with distinct needs and priorities. Hence, our stakeholder engagement approach is tailored to accommodate these differences, ensuring that diverse perspectives contribute to shaping the Company's Environmental, Social, and Governance (ESG) parameters and guiding our trajectory for the future.</p> | | | | |
| 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 engagement |
| Employees | No | Newsletter, E-mails, Trainings, Performance Appraisal, Events/ Notice Board | Regularly | <ul style="list-style-type: none"> Employee engagement Transparent communication Performance review Employee experience and grievance Employee retention |
| Shareholders/ Investors | No | Email, SMS, Newspaper Advertisements, Investor Presentations, Analyst/Investor meetings, Annual General Meetings, Annual Report and the Company's Website | Annually / Quarterly / Event based | <ul style="list-style-type: none"> Reminders about unclaimed dividends and shares due for transfer to Investor Education and Protection Fund Publication of financial results and notices Intimation for updation of KYC details for shareholders holding shares in physical mode |
| Value Chain Partners | No | Offline & online meetings, Suppliers meet, NGRBC 9 Principles awareness programs, Suppliers visit | Need Based | <ul style="list-style-type: none"> Vendor development Job/work review Quality check NGRBC 9 Principles awareness |
| Farmers | Yes | Social media platforms, Website, Market surveys/ customer satisfaction surveys, Farmers Meetings, Farmers Training Programs, Trade union meetings, Grievance resolution processes, Press engagements | Regularly | <ul style="list-style-type: none"> Display of product information & services through all viable sources and touch points Collect consumer feedback, suggestions, concerns and grievances, ensure timely & effective redressal of concerns |

| Stakeholder Group | Whether Identified as Vulnerable & Marginalized Group (Yes/No) | Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other | Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|-------------------------------|--|---|--|--|
| | | | | <ul style="list-style-type: none"> Capacity development of farmers on knowledge of improved productivity & technological advancement Awareness on safe usage of products and adopting sustainable agriculture practices. Sustainable livelihood opportunities to small & marginalized farmers |
| Dealers / Distributors | No | Dealer / Distributor Meetings, product launches, promotional campaigns, incentive schemes, grievance resolution processes, social media platforms | Regularly | <ul style="list-style-type: none"> Capacity development of dealers and distributors Technical and commercial details about products Incentive schemes Product launches Safe and sustainable usage of products Awareness on current agri scenarios, upcoming events |
| Local Community | Yes | Community meetings, formal & informal meetings with primary stakeholders/ self-help groups / farmer's group/ opinion leaders / program beneficiaries/ Media releases, community interface meetings, digital means, surveys etc. | Need Based | <ul style="list-style-type: none"> Education including Technical and Vocational education Rural Development Initiatives Healthcare and Sanitation Employability and Empowerment Promotion of Sports Environmental Sustainability, Animal Welfare and Soil Health Initiatives Alignment with Sustainable Development Goals |
| Banks/ Financial Institutions | No | Meetings with Bank/ Financial Institutional officials, conference calls | Need Based | <ul style="list-style-type: none"> Industry trends Reserve Bank of India guidelines |
| State and Central Government | No | Meetings with Local administration / body, State and Central Government, Line Departments, Events & Seminars, Media releases, Partnerships with regulatory and industry bodies | Need Based | <ul style="list-style-type: none"> Policy advocacy Regulation and Compliance Skill and Capacity building Changes in policies and regulations related to the entity |
| Media | No | Published reports & Articles, Media Coverage | Need Based | <ul style="list-style-type: none"> Corporate branding Community sensitization Activity update |

| Leadership Indicators | |
|-----------------------|---|
| 1. | <p>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.</p> <p>The management of the Company regularly engages with key stakeholders including employees, communities, government authorities, investors, customers, etc. These engagements focus on identifying concerns and expectations related to economic, environmental, and social (EES) topics. Inputs gathered through these interactions are derived from grassroots-level consultations and day-to-day operational feedback.</p> <p>Insights from stakeholder engagement are systematically analyzed and shared with senior management. The leadership team reviews material topics and stakeholder concerns on a periodic basis and channels relevant updates, insights, and recommendations to the Board through structured platforms such as quarterly Board meetings and committee-level deliberations.</p> <p>Board-level committees such as the Corporate Social Responsibility (CSR) Committee, Risk Management Committee, and Audit Committee regularly assesses developments and progress related to EES matters. This process ensures that feedback from stakeholders are meaningfully integrated into the Company's strategic deliberations and that the Board is equipped to take informed decisions aligned with sustainability imperatives and stakeholder expectations.</p> |
| 2. | <p>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.</p> <p>Yes. The Company is committed to inclusive decision-making process involving stakeholders engagement and consultation with stakeholders. Issues concerning the environment, society, and community development are identified, prioritized, strategized, and implemented. The sub-section below are highlights of stakeholder consultations conducted by the Company:</p> <p>Materiality mapping</p> <p>During the Financial Year 2022-23, the Company conducted a Stakeholder Engagement and Materiality Assessment exercise to assess and prioritize sustainability within the context of overall business priorities, management, and performance. Key stakeholders were consulted, and significant material issues were ranked from low to high importance for both internal and external stakeholders.</p> <p>Community consultation</p> <p>As part of its commitment to inclusive community development, the Company conducted a comprehensive need-based assessment survey. This included both formal and informal consultations with local community members to understand their needs, aspirations, and key social challenges. Based on these insights, targeted action and implementation plans were developed to address the most pressing issues:</p> <ul style="list-style-type: none"> • Poor quality of education in Anganwadi centers and shortage of qualified teachers in primary and secondary schools. • Insufficient teaching and learning resources, low foundational literacy levels, and inadequate school infrastructure. • Limited access to preventive healthcare services in nearby areas. • Lack of skill training and post-education employment opportunities for youth. • Unhygienic practices, absence of safe drinking water, and inadequate sanitation facilities in schools. • Shortage of community infrastructure and recreational spaces in villages. <p>To address these issues/challenges, the Company has undertaken several interventions over the years, including:</p> <ul style="list-style-type: none"> • Transformation of Anganwadi Centers into vibrant, preschool-aligned spaces with libraries, digital tools, functional toilets, and child-friendly furniture. • Renovation of Government Schools, addition of classrooms, and creation of inclusive, child-friendly infrastructure with a special focus on girl students and marginalized communities. • Adoption and upgradation of four Government Primary Health Centers (PHCs) with specialized OPD services, X-ray facilities, minor OT units, pathological testing, and maternal care facilities. |

Additionally, during periodic stakeholder meetings, community members suggest improvement areas in rural development, sanitation, hygiene, and waste management. The Company assessed and prioritized the areas of intervention, and action plans were developed under the Corporate Social Responsibility program, as detailed below:

- Established the Chambal Fertilisers Skill Institute offering 5 vocational courses for rural youth.
- Adopted 4 Public Health Centers (PHCs) to strengthen preventive healthcare services.
- Expanded waste management programs to more villages with door-to-door segregation and collection.
- Created alternate livelihoods for women under the “One Village – One Product” model with 4 new centers and 2 dedicated buildings.
- Built rainwater harvesting structures in 5 government schools to aid water conservation.
- Installed solar panels in 7 Anganwadi centers (1.5 KW) and at the Skill Institute (75 KW).
- Constructed community halls and installed streetlights in nearby villages.
- Set up open gyms to encourage fitness in rural communities.
- Renovated schools and Anganwadi centers to ensure safe learning environments.
- Launched a three-year CSR project to establish an English medium school for rural children.

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

The Company actively engages with rural communities through structured communication and inclusive stakeholder engagement plans, ensuring meaningful participation of vulnerable and marginalized groups, including women, youth, and marginalized populations.

Rooted in the ethos of “Investing Today for a Sustainable Tomorrow,” the Company’s CSR framework spans eight thematic areas: Education (including technical and vocational training), Rural Development, Healthcare & Sanitation, Employability & Empowerment, Environmental Sustainability, Animal Welfare & Soil Health, Disaster Management, and Sports Promotion — all aligned with the UN Sustainable Development Goals (SDGs).

Key actions addressing the concerns of vulnerable groups include:

- **Skill Development for Rural Youth and Women:** Chambal Fertilisers Skill Institute provides short-term vocational training to rural youth, with a focus on training young women. From October 2024 to March 2025, over 150 youth were trained in job-oriented courses like General Duty Assistant, Banking Correspondent & Facilitator, and Customer Relationship Management, achieving a 100% placement rate. Village-based vocational training programs further empower young women to start local enterprises.
- **Access to Healthcare:** Adoption of four Government Primary Health Centers has improved rural healthcare delivery by upgrading facilities and introducing services such as OPD consultations, diagnostics, minor surgeries, and institutional deliveries—benefiting especially those with limited access to medical care.
- **Rural Infrastructure for Inclusion:** The Company has invested in building community infrastructure like cement concrete roads, drainage systems, and rejuvenated ponds, along with creating safe and inclusive community spaces to enhance the quality of life for all residents, particularly those from marginalized backgrounds.

Through these targeted initiatives, the Company continues to foster inclusive development and drive rural transformation in the communities surrounding the Gadepan plant.

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 | 681 | 532 | 78.12 | 657 | 657 | 100.00 |
| Other than permanent | 0 | 0 | 0.00 | 0 | 0 | 0.00 |
| Total Employees | 681 | 532 | 78.12 | 657 | 657 | 100.00 |
| Workers | | | | | | |
| Permanent | 421 | 0 | 0.00 | 432 | 432 | 100.00 |
| Other than permanent | 2218 | 2218 | 100.00 | 1503 | 1243 | 82.70 |
| Total Workers | 2639 | 2218 | 84.05 | 1935 | 1675 | 86.56 |

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 | 681 | 0 | 0.00 | 681 | 100.00 | 657 | 0 | 0.00 | 657 | 100.00 |
| Male | 664 | 0 | 0.00 | 664 | 100.00 | 635 | 0 | 0.00 | 635 | 100.00 |
| Female | 17 | 0 | 0.00 | 17 | 100.00 | 22 | 0 | 0.00 | 22 | 100.00 |
| Other than Permanent | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0 | 0.00 | 0 | 0.00 |
| Male | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0 | 0.00 | 0 | 0.00 |
| Female | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0 | 0.00 | 0 | 0.00 |
| Workers | | | | | | | | | | |
| Permanent | 421 | 0 | 0.00 | 421 | 100.00 | 432 | 0 | 0.00 | 432 | 100.00 |
| Male | 417 | 0 | 0.00 | 417 | 100.00 | 427 | 0 | 0.00 | 427 | 100.00 |
| Female | 4 | 0 | 0.00 | 4 | 100.00 | 5 | 0 | 0.00 | 5 | 100.00 |
| Other than Permanent | 2218 | 2218 | 100.00 | 0 | 0.00 | 1503 | 1503 | 100.00 | 0 | 0.00 |
| Male | 2203 | 2203 | 100.00 | 0 | 0.00 | 1497 | 1497 | 100.00 | 0 | 0.00 |
| Female | 15 | 15 | 100.00 | 0 | 0.00 | 6 | 6 | 100.00 | 0 | 0.00 |

3. Details of remuneration/salary/wages

a. Median remuneration/wages:

| | Male | | Female | |
|---|--------|---|--------|---|
| | Number | Median remuneration/ salary/ wages of respective category (Rs.) | Number | Median remuneration/ salary/ wages of respective category (Rs.) |
| Board of Directors (BoD) | 6 | 14,10,000 | 1 | 15,30,000 |
| Key Managerial Personnel (KMP) | 3 | 2,45,79,629 | 0 | 0 |
| Employees other than BoD and KMP | 1078 | 14,56,889 | 21 | 14,60,276 |
| Workers | 0 | 0 | 0 | 0 |

Notes:

- (i) Mr. Shyam Sunder Bhartia has voluntarily forgone sitting fee for FY-24 and FY-25 and commission for FY-24.
- (ii) Remuneration of Managing Director has been considered for calculation of median remuneration of both, Board of Directors and Key Managerial Personnel.

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 | 1.55 | 2.42 |

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

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

For employees and workers

The Whistle Blower Policy and Human Resource & Employee Relations Policy of the Company, inter-alia, provide a mechanism to the Directors and Employees to report their concerns and grievances, including those related to discrimination, unethical behavior, violation of the Code of Conduct and Ethics of the Company.

For contractual workers

The Company has a grievance redressal mechanism to resolve grievances by contractual workforce. The aggrieved contractual workforce can report to the concerned supervisor. If grievance is not resolved at the supervisor's end, the same is escalated and recorded in the grievance register at Industrial Relations (IR) office located at Gadepan. IR initiates the investigation to resolve the issue through counselling / course correction / meetings with the aggrieved worker. If required, the grievance may be addressed / escalated to the State's Labour Department.

The Company is committed to prevent human rights abuses like child labour and forced / compulsory labour in all the operations. A process of background verification, medical fitness, address and age verification is followed by the Company along with compliance of other statutory requirements by the industrial relations department for contract workers.

| 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 year | Remarks | Filed during the year | Pending resolution at the end of 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 of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) | 0 | 0 |
| Complaints on POSH as a % of female employees / workers | 0.00 | 0.00 |
| Complaints on POSH upheld | 0 | 0 |

| | |
|---|--|
| 8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases. | |
| <p>The mechanism is as per Code of Conduct and Ethics, Whistle Blower Policy and the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") and rules made thereunder and other applicable laws.</p> <p>The Company has the Code of Conduct and Ethics as well as the Whistleblower Policy in place to ensure protection and anonymity of complainant in any discrimination and harassment case. The Company has also constituted Internal Complaints Committee under the provisions of POSH Act. The grievance, if any, arising out of Whistle-Blower Policy and Code of Conduct and Ethics is redressed by the respective committees which oversee them.</p> | |

| |
|--|
| 9. Do human rights requirements form part of your business agreements and contracts? (Yes/No) |
| Yes |

| 10. Assessments for the year: | |
|-------------------------------|--|
| | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
| Child labour | 100.00 |
| Forced/involuntary labour | 100.00 |
| Sexual harassment | 100.00 |
| Discrimination at workplace | 100.00 |
| Wages | 100.00 |
| Others - please specify | 0.00 |

| |
|--|
| 11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above. |
| None |

Leadership Indicators

| | |
|-----------------------------|---|
| 1. | Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints. |
| | None. |
| 2. | Details of the scope and coverage of any human rights due-diligence conducted. |
| | Not Applicable. |
| 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 |
| Child labour | 0.00 |
| Forced/involuntary labour | 0.00 |
| Sexual harassment | 0.00 |
| Discrimination at workplace | 0.00 |
| Wages | 0.00 |
| Others - please specify | 0.00 |
| 5. | Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above. |
| | Not Applicable |

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 | Please specify unit | FY 2024-25 (Current Financial Year) | FY 2023-24 (Previous Financial Year) |
| From renewable sources | | | |
| Total electricity consumption (A) | Gigajoule | 20561 | 17970 |
| Total fuel consumption (B) | Gigajoule | 0 | 0 |
| Energy consumption through other sources (C) | Gigajoule | 0 | 0 |
| Total energy consumed from renewable sources (A+B+C) | Gigajoule | 20561 | 17970 |
| From non-renewable sources | | | |
| Total electricity consumption (D) | Gigajoule | 2591903 | 2575799 |
| Total fuel consumption (E) | Gigajoule | 22326908 | 22486543 |
| Energy consumption through other sources (F) | Gigajoule | 0 | 0 |
| Total energy consumed from non-renewable sources (D+E+F) | Gigajoule | 24918811 | 25062342 |
| Total energy consumed (A+B+C+D+E+F) | Gigajoule | 24939372 | 25080312 |

| Parameter | Please specify unit | FY 2024-25 (Current Financial Year) | FY 2023-24 (Previous Financial Year) |
|--|---------------------|--|---|
| Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) | Gigajoule Per INR | 14.98 | 13.96 |
| Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) | Gigajoule Per INR | 0.00 | 0.00 |
| Energy intensity in terms of physical output | Gigajoule | 5.05 | 5.13 |
| Energy intensity (optional) - the relevant metric may be selected by the entity | Gigajoule | - | - |

Notes:

- Total electricity consumption (A) includes self generation (Gas turbine) and grid power.
- Total fuel consumption (B) includes Ammonia plant fuel & Boiler fuel (Auxiliary and heat recovery steam generator).

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. |
| | <p>Yes, the Company operates three urea plants under the Performance, Achieve and Trade (PAT) Scheme of the Government of India. Registration of the Gadepan-III plant with the Bureau of Energy Efficiency is still pending. Currently, the Bureau of Energy Efficiency has not set a target under PAT.</p> <p>For the financial year 2018-19, the targets and actual achievements are as under:</p> <p>For Gadepan-I Plant, the target reduction in energy consumption was 5.501 Gcal/MT urea, with an achieved energy consumption of 5.407 Gcal/MT urea, resulting in 9,174 Energy Saving Certificates. For Gadepan-II Plant, the target reduction in energy consumption was 5.443 Gcal/MT urea, with an achieved energy consumption of 5.410 Gcal/MT urea, resulting in 2,892 Energy Saving Certificates.</p> |

| 3. | Provide details of the following disclosures related to water, in the following format: | | |
|--|---|--|--|
| Parameter Water withdrawal by source (in kilolitres) | FY 2024-25 (Current Financial Year) (M ³) | FY 2023-24 (Previous Financial Year) (M ³) | |
| Water withdrawal by source (in kilolitres) | | | |
| (i) Surface water | 13829678 | 13653115 | |
| (ii) Groundwater | 0 | 0 | |
| (iii) Third party water | 0 | 0 | |
| (iv) Seawater / desalinated water | 0 | 0 | |
| (v) Others (recovery from the Reverse Osmosis Plants) | 1036012 | 1176041 | |
| Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v) | 14865690 | 14829156 | |
| Total volume of water consumption (in kilolitres) | 13993666 | 14042166 | |
| Water intensity per rupee of turnover (KI/INR in Lakh) (Total water consumption / Revenue from operations) | 8.41 | 7.82 | |
| Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/Revenue from operations adjusted for PPP) | 0.00 | 0.00 | |
| Water intensity in terms of physical output (Water consumed in M ³ /MT of Urea) | 4.04 | 4.15 | |
| Water 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): 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 | 267905 | 246524 |
| -No treatment | 0 | 0 |
| -With treatment - please specify level of treatment | 267905 | 246524 |
| (ii) To Groundwater | 0.00 | 0.00 |
| -No treatment | 0 | 0 |
| -With treatment - please specify level of treatment | 0 | 0 |
| (iii) To Seawater | 0.00 | 0.00 |
| -No treatment | 0 | 0 |
| -With treatment - please specify level of treatment | 0 | 0 |
| (iv) Sent to third parties | 0.00 | 0.00 |
| -No treatment | 0 | 0 |
| -With treatment - please specify level of treatment | 0 | 0 |
| (v) Others | 0.00 | 0.00 |
| -No treatment | 0 | 0 |
| -With treatment - please specify level of treatment | 0 | 0 |
| Total water discharged (in kiloliters) | 267905 | 246524 |

The Company discharges the treated industrial water in the river only during rainy period as per environment clearance condition.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) : No

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

Yes. Gadepan-III plant of the Company is a Zero Liquid Discharge (ZLD) facility. Effluent generated from the Gadepan-III plant, along with a portion of effluent from the Gadepan-I and II plants, is initially treated in the Reverse Osmosis (RO) plant. The RO reject is further processed in the Zero Liquid Discharge system, which includes a Multi-Effect Evaporator (MEE). The treated water recovered from both streams is reused as make-up water for cooling towers, thereby supporting sustainable water management.

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 | PPM | 67.9 | 64.9 |
| SOx | mgPerNm3 | 0 | 3.5 |
| Particulate matter (PM 10) | mgPerNm3 | 30.8 | 32.0 |
| Persistent organic pollutants (POP) | mgPerNm3 | 0 | 0 |
| Volatile organic compounds (VOC) | mgPerNm3 | 0 | 0 |
| Hazardous air pollutants (HAP) | mgPerNm3 | 0 | 0 |
| Others - please specify | | | |

*Data revised to reflect air emission norms.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. Stack emission evaluation was carried out by Ministry of Environment, Forest and Climate Change (MoEFCC) accredited laboratory i.e. Vibrant Techno Lab Pvt Ltd & Vardan Envirolab, on quarterly basis.

| 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 CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | <i>Metric tonnes of CO₂ equivalent</i> | 15,03,917 | 14,72,450 |
| Total Scope 2 Emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | <i>Metric tonnes of CO₂ equivalent</i> | 7,584 | 5,883.35 |
| Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations) | <i>TCO2 eq/ INR in Lakh</i> | 0.91 | 0.82 |
| Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations adjusted for PPP) | | Not applicable | Not applicable |
| Total Scope 1 and Scope 2 emission intensity in terms of physical output | <i>TCO2 eq/ MT of Urea</i> | 0.42 | 0.44 |
| Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity | | - | - |

Note: Total Scope 1 and Scope 2 emission intensity for financial year 2024-25 includes the production of urea from surplus ammonia.

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

| |
|--|
| 8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details. |
| <p>Yes. During the financial year 2024–25, a thermo-compressor was installed in Urea-III 'A' train to recover low-pressure steam and save approximately 0.9 MT/hr of high-pressure steam. This initiative is aimed at enhancing energy efficiency, reducing fuel consumption, and lowering associated emissions. Additionally, roof-top solar panels with a peak capacity of 1000 kW (AC) have been installed at the Gadepan campus as a step toward using renewable energy. During the financial year 2024–25, 1.72 million kWh of solar power was generated.</p> <p>The Company also implemented various energy saving schemes and invested ₹ 227.84 crore by the end of March 2024 to reduce energy consumption in the Gadepan-I and Gadepan-II plants.</p> |

| 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) | 13577 | 13079 |
| E-waste (B) | 13.02 | 5.66 |
| Bio-medical waste (C) | 2.06 | 2.01 |
| Construction and demolition waste (D) | 2500 | 200 |
| Battery waste (E) | 3.73 | 0.23 |
| Radioactive waste (F) | 0 | 0 |
| Other Hazardous waste. Please specify, if any. (G) | 3028.09 | 2875.79 |
| Spent Catalyst | 75.00 | 97.18 |
| Discarded Containers | 1.56 | 1.56 |
| Used Oil | 26.93 | 54.25 |
| Contaminated Cotton Rags | 3.50 | 2.60 |
| Chemical sludge from wastewater treatment-CO PROC | 2376.44 | 2459.84 |
| Chemical sludge from wastewater treatment-LANDFILL | 392.36 | 412.66 |
| Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) | | |

| Parameter | FY 2024-25 (Current Financial Year) | FY 2023- 24 (Previous Financial Year) |
|---|--|--|
| Sludge from Sewage Treatment Plant | 1.00 | 3.00 |
| Total (A+B+C+D+E+F+G+H) | 19124.90 | 16165.69 |
| Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) | 0.01 | 0.01 |
| Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) | 0.00 | 0.00 |
| Waste intensity in terms of physical output | 0.01 | 0.01 |
| Waste intensity (optional) / MT of Urea – 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 | 4550.18 | 13186.82 |
| (ii) Re-used | 2501 | 203 |
| (iii) Other recovery operations | 11654.84 | 2376.44 |
| Total | 18706.02 | 15766.26 |
| For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes) | | |
| Category of waste | | |
| (i) Incineration | 4.66 | 5.51 |
| (ii) Landfilling | 414.22 | 393.92 |
| (iii) Other disposal operations | 0 | 0 |
| Total | 418.88 | 399.43 |

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.

The Company's waste management practices are robust, reflecting our strong commitment to environmental stewardship and sustainable operations. Across our facilities, we adhere to a well-defined strategy aimed at minimizing ecological impact and promoting responsible utilization of resources.

At the core of our waste management framework is the Reduce, Reuse, Recycle (3R) principle, which governs our approach to managing effluents generated during operations. A substantial portion of the water used in our processes comprises recycled effluents treated through a Reverse Osmosis (RO) plant. The treated water is reused as make-up water in cooling towers. The RO reject is further processed through a Zero Liquid Discharge system, which includes a Multi-Effect Evaporator (MEE) and the resulting waste is sent to the cement industry for co-processing. Additionally, our Sewage Treatment Plants (STPs) are equipped with tertiary treatment systems, and the treated wastewater is effectively utilized for green belt maintenance within the premises.

For solid and hazardous waste management, we employ best-in-class practices guided by proper waste categorization. Dedicated waste bins are placed strategically across our facilities to encourage proper segregation and disposal. Horticultural waste is composted into organic manure, and the use of polythene bags is strictly prohibited to minimize plastic pollution.

In our efforts to continuously improve, we have achieved noteworthy progress in diverting waste from landfills. During financial year 2024-25, 85.63% of waste from our RO-ZLD (Reverse Osmosis - Zero Liquid Discharge) plant was sent to the cement industry for co-processing, significantly reducing landfill burden. Periodic audits by external consultants are conducted to ensure adherence to the best environmental practices, and any identified gaps are promptly addressed through corrective actions.

We also emphasize on employee and contractor awareness, regularly conducting training and sensitization programs on responsible waste management. Hazardous wastes, such as used oil and spent catalysts, are sold only to registered recyclers, and contaminated material is disposed of through approved methods like incineration.

In line with our resource recovery initiatives, biodegradable waste is processed in our biogas plant with the generated biogas used for cooking and the residual liquid manure applied in horticulture. Other waste streams, such as e-waste, battery waste, biomedical waste, and construction & demolition debris, are managed in strict compliance with applicable environmental regulations.

| 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: | | | |
|--|--------------------------------|--------------------|--|
| S. 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. |
| Not Applicable | | | |

| 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 the project | EIA Notification No. | Date | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
| Expansion of Ammonia, Urea, Technical Ammonium Nitrate, Concentrated Nitric Acid Production, Captive Power Generation and heat recovery steam generator within CFCL's existing premises | EC25A1903RJ5959224N; File No.J-11011/664/2008-IA-II(I) | 10-03-2025 | Yes | Yes | https://parivesh.nic.in/ |

| 13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format: Yes | | | | |
|---|---|---------------------------------------|---|---------------------------------|
| S. 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 |
| Not applicable | | | | |

Leadership Indicators

| |
|--|
| 1. Water withdrawal, consumption and discharge in areas of water stress (in kiloliters): |
| Not Applicable |

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. 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 CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | Metric tonnes of CO ₂ equivalent | Not monitored currently. | |
| 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: 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.

Not applicable as the Company's operations do not have significant direct & indirect impact on biodiversity. However, the Company has set-up a fund in collaboration with the Forest Department, Government of Rajasthan to conserve wildlife and preserve the habitat of endangered species like the Great Indian Bustard, Black Buck and Chinkara at Sorsan Preserve in Baran district, close to the Gadepan Plant in Rajasthan.

The Company has developed dense green belt under 'Operation Green Programme' in Gadepan campus which provides healthy environment to people residing in and around the campus.

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:

| S. No. | Initiative undertaken | Details of the initiative (Web-link, if any, may be provided along-with summary) | Outcome of the initiative |
|--------|---|--|--|
| 1. | Installation of the thermo-compressor in Urea-III 'A' train | In the existing configuration of Urea-III, steam condensate is flashed in a low-pressure steam flash drum, generating saturated low-pressure(SLL) steam at 2.5 kg/cm ² g and 138 °C. Approximately 2.0 MT/hr of this steam per urea train is produced in excess and previously vented to the atmosphere, resulting in energy loss and environmental impact. To improve energy efficiency and reduce steam wastage, a thermo-compressor is being installed. This technology recovers and pressurizes the low-grade steam, enabling its redirection to a steam turbine for effective utilization in downstream processes. | This modification is expected to save approximately 0.9 MT/hr of high-pressure steam, leading to enhanced energy efficiency, reduced fuel consumption, and a corresponding decrease in associated emissions. |

Note : Energy saving schemes has been implemented in March-2025. Actual annual energy shall be realized in financial year 2025-2026.

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

Yes. The Company has conducted risk assessment of its business to identify key risks and has prepared an associated risk mitigation plan to ensure business continuity. The Business Continuity Plan aims to provide a framework to support the business to continue and/or quickly restore the critical business functions, in the event of a disruption of normal operations. As part of the Business Continuity Plan, the Company has identified the events, the occurrence of which may impact particular functions or facilities resulting into disruption of normal operations of business. The Business Continuity Plan forms part of the Risk Management Policy of the Company.

Risk Mitigation measures for the identified business interruption factors have been prepared and implemented by the Company to ensure business continuity.

The Company also has a disaster management plan with detailed disaster control measures, and keeping it up to date is the obligation of the Occupier of the factory. The scope of the plan covers the existing activities/facilities and is aimed at:

- Quick relief and rescue operation without delay.
- Reduce the effects of the incident.
- Minimize casualties and prevent further injuries.
- Speed up restoration of normalcy.
- Ensure that each member of the emergency operation including response team and employees are aware of their role in an emergency.

It incorporates recommendations from the Quantitative Risk Assessment (QRA) study to ensure a comprehensive approach to risk mitigation and emergency preparedness. To maintain a high state of readiness, mock drills are conducted every six months and fire drills are carried out every three months, in line with the stipulations of the Disaster Management Plan. The plan is periodically reviewed and updated to reflect process changes, technological advancements, and learnings from previous drills.

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.

| Impact | Mitigation |
|---|---|
| <p>The Life Cycle Assessment (LCA) undertaken for Urea production at Chambal Fertilisers' Gadepan complex identified significant environmental impacts arising from upstream activities in the value chain, primarily due to the use of natural gas as a feedstock and energy source. The impact includes:</p> <ul style="list-style-type: none"> • High embodied emissions from natural gas extraction, processing, and transportation. • Methane leakage during upstream operations, which poses a potent climate risk given methane's high global warming potential. • Greenhouse gas (GHG) emissions associated with direct combustion of natural gas for steam and power generation. <p>These upstream activities contribute to Scope 3 emissions, which constituted around 68% of total emissions for Urea production</p> | <p>The Company has implemented a series of mitigation and adaptation measures. A key initiative involves the complete utilization of carbon dioxide generated during ammonia production in the subsequent urea synthesis process, thereby reducing the need for external carbon inputs and minimizing emissions. The Company has also installed waste heat recovery systems to improve energy efficiency by capturing and reusing thermal energy from high-temperature processes. Additionally, operational processes have been optimized to reduce steam and electricity consumption, thereby lowering the overall energy intensity. As quantified in the LCA report, these mitigation efforts collectively contribute to an estimated environmental damage cost avoidance of approximately ₹9 lakh per day. CFCL continues to pursue further improvements in resource efficiency and emissions reduction across its operations.</p> |

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

0.00%

8. How many Green Credits have been generated or procured.

- | | |
|--|------|
| a. By the listed entity. | None |
| b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners. | None |

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. - 3 (Three) |
| | 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. |
| S. No. | Name of the trade and industry chambers/ associations | Reach of trade and industry chambers/ associations (State/ National) |
| 1 | International Fertilizer Association | International |
| 2 | The Fertilizer Association of India | National |
| 3 | Federation of Indian Chambers of Commerce and Industry | National |

| 2. | Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities. | |
|-------------------|--|-------------------------|
| Name of authority | Brief of the Case | Corrective action taken |
| None | | |

| Leadership Indicators | | | | | | |
|--|-------------------------|-----------------------------------|--|--|------------------------|--|
| 1. Details of public policy positions advocated by the entity: | | | | | | |
| S.No. | Public policy advocated | Method resorted for such advocacy | Whether information available in public domain? (Yes/No) | Frequency of Review by Board (Annually/ Half yearly/ Quarterly/ Others – please specify) | Web Link, if available | |
| None | | | | | | |

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 |
| None | | | | | |

| 2. | Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format: | | | | | |
|--------|--|-------|----------|---|--------------------------|---|
| S. No. | Name of Project for which R&R is ongoing | State | District | No. of Project Affected Families (PAFs) | % of PAFs covered by R&R | Amounts paid to PAFs in the FY (in INR) |
| None | | | | | | |

| | |
|----|--|
| 3. | Describe the mechanisms to receive and redress grievances of the community. |
| | <p>The Company has a process in place to receive and redress issues / grievances received from the community. The project implementation team, consisting of members from various NGO partners and CSR department of the Company, receives the grievances either through in person meetings, stakeholders' meeting or through formal letters. The team then works towards its redressal. Further, Company proactively engages with the community, as part of the development initiatives. Throughout the year, informal and formal sessions are conducted which helps the Company to interact with the community apart from program specific meetings to facilitate working collaboratively. There is a targeted approach for engaging and resolving cases of various sections i.e. youth, women, women health groups, women self-help groups, representatives of Panchayati raj institutions, opinion leaders and community members at large.</p> |

| 4. Percentage of input material (input to total inputs by value) sourced from suppliers: | | |
|--|---------------------------------------|--|
| | FY 2024- 25 Current Financial Year | FY 2023- 24 Previous Financial Year |
| Directly sourced from MSMEs/ small producers | 3.02 | 2.68 |
| Directly from within India | 86.28 | 91.46 |

| 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 the total wage cost: | | |
|---|---------------------------------------|--|
| Location | FY 2024- 25 Current Financial Year | FY 2023- 24 Previous Financial Year |
| Rural | 64.64 | 65.60 |
| Semi-Urban | 0.00 | 0.00 |
| Urban | 0.00 | 0.00 |
| Metropolitan | 35.36 | 34.40 |

| Leadership Indicators | |
|--|-------------------------|
| 1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above): | |
| Details of negative social impact identified | Corrective action taken |
| Not Applicable | |

| 2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies: | | | |
|---|-------------|-----------------------|-----------------------|
| S. No. | State | Aspirational District | Amount Spent (in INR) |
| 1. | Rajasthan | Baran | 1,83,82,453.00 |
| 2. | Punjab | Moga | 6,72,600.00 |
| 3. | Maharashtra | Nandurbar | 2,95,389.00 |
| 4. | Maharashtra | Washim | 1,47,694.70 |
| 5. | Maharashtra | Osmanabad | 4,43,084.10 |

| | |
|---|--|
| 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? | |
| Not Applicable | |
| (c) What percentage of total procurement (by value) does it constitute? | |
| 0.00% | |

| 4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge: | | | | |
|--|--|-----------------------------|-----------------------------|------------------------------------|
| S. No. | Intellectual Property based on traditional knowledge | Owned/ Acquired (Yes/No) | Benefit Shared (Yes/ No) | Basis of calculating benefit share |
| 1 | Not Applicable | No | No | Not Applicable |

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

| Name of authority | Brief of the Case | Corrective action taken |
|-------------------|-------------------|-------------------------|
| Not Applicable | | |

6. Details of beneficiaries of CSR Projects:

| S. No. | CSR Project | No. of persons benefited from CSR Projects | % of beneficiaries from vulnerable and marginalized groups |
|--------|--|--|--|
| 1. | Project Akshar - Pre-primary and School Education (Approximate no. of beneficiaries) | 20,000 | 100.00% |
| 2. | Project Saksham - Technical and Vocational Education (Approximate no. of beneficiaries) | 3,200 | |
| 3. | Project Pragati - Employability and Empowerment (Approximate no. of beneficiaries) | 450 | |
| 4. | Promotion of sports (Approximate no. of beneficiaries) | 4,000 | |
| 5. | Project Arogya - Healthcare and Sanitation (Approximate no. of beneficiaries) | 2,00,000 | |
| 6. | Project Saakar - Rural Development Initiatives (Approximate no. of beneficiaries) | 1,50,000 | |
| 7. | Project Bhoomi - Environmental Sustainability, Animal Welfare and Soil Health Initiatives (Approximate no. of beneficiaries) | 1,00,000 | |

PRINCIPLE 9 Business 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. |
| | The Company engages with its customers for their feedback via retailer/ dealer meetings, telephone helpline and farmer meets. The Company is operating a helpline number under 'Hello Uttam' program which allows customers to reach out to and/or call the marketing and customer excellence representatives in case of any grievance, details of which are available on each packaging of the product of the Company. The Company has set up regional marketing offices in various states in which the Company operates, and the dealers and value chain partners can contact the Regional Marketing Officer directly to raise any concern and/or register any grievance. The complaints/ grievances of the customers are reviewed periodically by the senior management of the Company. |

| | |
|---|--|
| 2. | Turnover of products and/ services as a percentage of turnover from all products/service that carry information about: |
| | As percentage to total turnover |
| Environmental and social parameters relevant to the product | 3.60% |
| Safe and responsible usage | 4.95% |
| Recycling and/or safe disposal | 98.04% |

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

| | 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 | 0 | 0 | | 0 | 0 | |
| Advertising | 0 | 0 | | 0 | 0 | |
| Cyber-security | 0 | 0 | | 0 | 0 | |
| Delivery of essential services | 0 | 0 | | 0 | 0 | |
| Restrictive Trade Practices | 0 | 0 | | 0 | 0 | |
| Unfair Trade Practices | 0 | 0 | | 0 | 0 | |
| Other | 0 | 0 | | 0 | 0 | |

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

| | Number | Reasons for recall |
|-------------------|--------|--------------------|
| Voluntary recalls | 0 | Not Applicable |
| Forced recalls | 0 | Not Applicable |

| | |
|------------------------------|--|
| 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. The Privacy Policy is available on the website of the Company at the web-link- http://www.chambalfertilisers.com/policiescodes |
| 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. |
| | Not Applicable |
| 7. | Provide the following information relating to data breaches: |
| a. | Number of instances of data breaches: 0 (Zero) |
| b. | Percentage of data breaches involving personally identifiable information of customers: 0.00% |
| c. | Impact, if any, of the data breaches: 0 (Zero) |
| Leadership Indicators | |
| 1. | Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available). |
| | Various channels and platforms where information on products of the Company can be accessed, are as follows: <ul style="list-style-type: none"> - Website of the Company i.e., www.chambalfertilisers.com - Social media pages which have information on latest happenings, new product launches and product applications. |
| 2. | Steps taken to inform and educate consumers about safe and responsible usage of products and/ or services. |
| | <p>The Company has undertaken initiatives to inform and educate consumers about safe and responsible usage of its products and services. Our ongoing 'Seed to Harvest' program, is a comprehensive farmer advisory initiative aimed at promoting new-age crops, innovative farming technology, responsible product usage, income enhancement for farmers, and sustainable farming practices. This program, along with our farm advisory services, including farmer training programs, crop demonstrations, and soil and water testing services, underscore our commitment to promoting sustainable and responsible farming practices.</p> <p>Additionally, our social media platforms serve as valuable channels for educating farmers on safe product usage. Moreover, we ensure that product packaging includes a leaflet promoting safe and responsible usage of our products.</p> <p>Expanding on our efforts, the Company has launched the "Uttam Balanced Nutrition Campaign (USPA)" project, spanning from 2023 to 2027. This five-year endeavor aims to educate farmers on modern techniques for improving soil health and crop production. The project involves demonstrations on balanced fertilizer application, alternative sources of fertilizers, and organic fertilizers. The project's objective is to enhance agricultural yield and productivity, while reducing chemical usage and mitigating its adverse environmental effects.</p> <p>Furthermore, selected farmers' fields undergo testing to determine suitable fertilizers, with agricultural experts regularly inspecting crops and collecting data on vegetative growth and yield. These field demonstrations serve to showcase different techniques and their impact on crop production.</p> <p>To enhance accessibility and engagement, we have introduced a Whatsapp bot solution named "Uttam Samadhan." This solution enables automated interaction with farmers, providing them with essential information about our products and practices. The said solution is available in five languages i.e. Hindi, English, Marathi, Punjabi, and Telugu. This solution ensures that users can access information in their preferred language, facilitating effective communication and learning.</p> |
| 3. | Mechanism in place to inform consumers of any risk of disruption/ discontinuation of essential services. |
| | No such mechanism is in place as Urea is controlled as per The Fertiliser (Inorganic, Organic or Mixed) (Control) Order 1985 |
| 4. | a. Does the entity display product information on the product over and above what is mandated as per the local laws? (Yes/ No/ Not Applicable). If yes, provide details in brief. |
| | No. |
| | b. 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). |
| | No. |

For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited

Place : New Delhi
Date : May 08, 2025

Rita Menon
Director
DIN: 00064714

Abhay Baijal
Managing Director
DIN: 01588087

INDEPENDENT AUDITOR'S REPORT

To the Members of Chambal Fertilisers and Chemicals Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying Standalone Financial Statements of Chambal Fertilisers and Chemicals Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2025, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including material accounting policy information and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").
2. 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 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) 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 Standalone 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 opinion.

Key audit matters

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Standalone Financial Statements of the current period. 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.

| Key audit matter | How our audit addressed the key audit matter |
|--|---|
| <p>Assessment of implications of government policies/notifications on recognition of subsidy revenue and its recoverability</p> <p>[Refer to the accompanying notes 8(B), 17, 31 and 47(d) of the Standalone Financial Statements]</p> <p>During the year, the Company has recognised subsidy revenue amounting to Rs. 11,955.19 crore and the aggregate amount of subsidy receivable as at March 31, 2025 is Rs. 265.45 crore. The amount of subsidy revenue and the subsidy receivable are significant to the Standalone Financial Statements.</p> <p>We identified this as a Key Audit Matter since the recognition of subsidy revenue and the assessment of recoverability of the related subsidy receivables is subject to significant judgements of the management. Further, the areas of subjectivity and judgement include interpretation and satisfaction of conditions specified in the notifications/policies in the estimation of timing and amount of recognition of subsidy revenue, likelihood of recoverability and allowance in relation to the outstanding subsidy receivables.</p> | <p>Our procedures included the following:</p> <ul style="list-style-type: none"> • We understood and evaluated the design and tested the operating effectiveness of controls as established by management in recognition of subsidy revenue and assessment of the recoverability of subsidy receivables. • We evaluated the management's assessment regarding reasonable certainty of complying with the relevant conditions as specified in the notifications/policies. • We considered the relevant notifications/policies issued by various authorities to ascertain the appropriateness of the recognition of subsidy revenue and adjustments to subsidy already recognised in earlier years pursuant to changes in subsidy rates. • We evaluated the basis of judgements that management has made in relation to the notifications/policies including past precedence and subsequent evidence in the form of notifications/policies/clarifications, as applicable. • We assessed the reasonableness of recoverability of subsidy receivable by assessing the management's analysis and information used to determine the recoverability of subsidy receivable, ageing of receivables and historical trends. • We evaluated adequacy of disclosures in the Standalone Financial Statements. <p>Based on the above procedures performed, the management's assessment of implications of government notifications/policies on recognition of subsidy revenue and the recoverability were considered to be reasonable.</p> |

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the Standalone Financial Statements and our auditor's report thereon.

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 the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the Standalone Financial Statements

6. 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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.
7. In preparing the Standalone Financial Statements, Board of Directors 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
8. Those 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

9. 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.
10. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism 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 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 management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone 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.
11. 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.
 12. 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.
 13. 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 of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

14. 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 B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
15. 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 paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
 - (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the 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 Indian Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on April 01, 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) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 15(b) above on reporting under Section 143(3)(b) and paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
 - (g) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure - A".
 - (h) 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 25 to the Standalone Financial Statements.
 - ii. The Company was not required to recognise a provision as at March 31, 2025 under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contract. The Company has made provision as at March 31, 2025, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses on derivative contracts – Refer Note 14C to the Standalone Financial Statements.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 46(vii) to the standalone financial statements, no funds 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(s) or entity(ies), including foreign entities ("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, as disclosed in the Note 46(vii) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("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; and
 - (c) Based on such audit procedures that we 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 (a) and (b) contain any material misstatement.
- v. The dividend declared and paid by the Company during the year and until the date of this audit report is in compliance with Section 123 of the Act.
 - vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except that the audit log (a) is not maintained for modifications, if any, made by certain users with privileged access rights to few tables at the application level, however no such direct changes have been made in these tables during the year; and (b) was not enabled to capture any changes at the database level. During the course of performing our procedures except the aforesaid instances, we did not notice any instance of audit trail feature being tampered with. Further, the audit trail, to the extent maintained in the prior year, has been preserved by the Company as per the statutory requirements for record retention.
16. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Abhishek Rara
Partner

Membership Number: 077779
UDIN: 25077779BMMKAL9813

Place : New Delhi
Date : May 08, 2025

Annexure A to Independent Auditor's Report

Referred to in paragraph 15(g) of the Independent Auditor's Report of even date to the members of Chambal Fertilisers and Chemicals Limited on the Standalone Financial Statements as of and for the year ended March 31, 2025

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Chambal Fertilisers and 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

2. 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to 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 controls with reference to 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 with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls system 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 control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Abhishek Rara
Partner

Place : New Delhi
Date : May 08, 2025

Membership Number: 077779
UDIN: 25077779BMMKAL9813

Annexure B to Independent Auditors' Report

Referred to in paragraph 14(g) of the Independent Auditors' Report of even date to the members of Chambal Fertilisers and Chemicals Limited on the Standalone Financial Statements as of and for the year ended March 31, 2025

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.
- (B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3 and 46(xiii) to the Standalone Financial Statements, are held in the name of the Company, except for the following:

| Description of property | Gross carrying value (Amount in Rs. Crore) | Title deed held in the 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 |
|---|--|--------------------------------|--|---|--|
| Property, Plant and Equipment-Land Freehold | 0.01 | Individual Sellers | No | 30/09/1989 | The sale deed could not be executed due to death of sellers. |
| Property Plant and Equipment-Land Leasehold | 0.25 | State Government of Rajasthan | No | 30/09/1989 | The transfer of title is pending as some procedural and administrative requirements are yet to be completed. |
| | 0.07 | | No | 30/09/1996 | |
| | 0.01 | Individual sellers | No | 30/09/1991 | The transfer of title is pending due to dispute with sellers. |

- (d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and Intangible Assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or Intangible Assets does not arise.
- (e) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the Standalone Financial Statements does not arise.
- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly statements with such banks, which are in agreement with the unaudited books of account. Also, refer Note 46(ii) to the Standalone Financial Statements.
- iii. (a) The Company has made investments in various mutual fund schemes. The Company has not granted secured/ unsecured loans/ advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3 (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.
- (b) In respect of the aforesaid mutual fund investments, the terms and conditions under which such investments were made are not prejudicial to the Company's interest.
- iv. In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

- vii. (a) In our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income taxes, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other statutory dues, as applicable, with the appropriate authorities.
- (b) There are no statutory dues of provident fund, employees' state insurance, sales-tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2025 which have not been deposited on account of a dispute, are as follows:

| Name of the statute | Nature of dues | Amount (in Crore)* | Period to which the amount relates | Forum where the dispute is pending |
|----------------------------------|---|--------------------|---|---|
| Finance Act, 1994 | Service tax demand (including penalty) raised in respect of service tax not paid on various expenses | 4.10 | October 2012 to June 2017 | CESTAT, Kolkata |
| Finance Act, 1994 | Department appeal against the refund of service tax on downward revision of Transmission charges | 2.75 | November 2008 to June 2010 | High Court, Jabalpur (Madhya Pradesh) |
| Income Tax Act, 1961 | Disallowances for various expenses | 209.24 | FY 1998-99, 1999-00; FY 2001-02 to 2006-07 | Supreme Court of India |
| Income Tax Act, 1961 | Disallowances for various expenses | 20.09 | FY 2009-10 to 2013-14 | High Court, Rajasthan (Jaipur) |
| Income Tax Act, 1961 | Disallowances for various expenses | 7.24 | FY 2017-18 | High Court, Jaipur |
| Income Tax Act, 1961 | Disallowances for various expenses | 68.42 | FY 2009-10 to FY 2010-11; FY 2014-15 to FY 2016-17 and FY 2019-20 | ITAT, Jaipur |
| Income Tax Act, 1961 | Disallowances for various expenses | 26.79 | FY 2009-10; FY 2020-21 to FY 2021-22 | Commissioner (Appeals), Kota |
| Income Tax Act, 1961 | Demand (including interest) raised by tax authorities in respect of wrong availment of tax credit and various expense | 2.86 | FY 2010-11 | Assistant Commissioner of Income Tax, Kota |
| Goods and Services Tax Act, 2017 | Demand raised by authorities in respect of excess ITC claimed | 0.01 | FY 2017-18 | Joint Commissioner (Appeals) Sales Tax, Nainital, Uttarakhand |
| Goods and Services Tax Act, 2017 | Demand raised by authorities in respect of excess ITC claimed | 0.32 | FY 2017-18 | Joint Commissioner (Appeals), Rohtak |
| Goods and Services Tax Act, 2017 | Demand of interest raised by authorities in respect of wrong adjustment | 0.26 | FY 2017-18 | Additional Commissioner Sales Tax (Appeals), Ahmedabad, Gujarat |
| Goods and Services Tax Act, 2017 | Demand raised by authorities in respect of discharge of tax liability | 0.14 | FY 2017-18 | Appellate Additional Commissioner (State Taxes), Kakinada |
| Goods and Services Tax Act, 2017 | Demand raised by authorities in respect of discharge of tax liability | 5.60 | FY 2018-19 and 2019-20 | Appellate Additional Commissioner (State Taxes), Vijayawada |
| Goods and Services Tax Act, 2017 | Demand raised by authorities in respect of discharge of tax liability | 0.53 | FY 2017-18 | Assistant Commissioner of Central Tax, Kakinada |
| Goods and Services Tax Act, 2017 | Demand (including penalty) raised by authorities in respect of refund availment under inverted tax rate structure | 14.31 | FY 2017-18 to FY 2021-22 (July 2017 to February 2022) | High Court, Rajasthan (Jaipur) |

| Name of the statute | Nature of dues | Amount (in Crore)* | Period to which the amount relates | Forum where the dispute is pending |
|---------------------------------------|--|--------------------|------------------------------------|---|
| Goods and Services Tax Act, 2017 | Demand raised by authorities in respect of excess ITC claimed | 0.02 | FY 2018-19 | Joint Commissioner of Sales Tax (Appeals), Maharashtra |
| Goods and Services Tax Act, 2017 | Demand raised by authorities in respect of excess ITC claimed | 0.16 | FY 2018-19 | Spl./Additional Commissioner State Tax (Appeals), Delhi |
| Goods and Services Tax Act, 2017 | Demand raised by authorities in respect of excess ITC claimed | 2.01 | FY 2019-20 | Joint Commissioner of state Tax (Appeals), Delhi |
| Goods and Services Tax Act, 2017 | Demand raised by authorities in respect of excess ITC claimed | 0.01 | FY 2019-20 | Office of Assistant Commissioner (Ahmedabad)** |
| Goods and Services Tax Act, 2017 | Demand raised by authorities in respect of excess ITC claimed | 0.00 | FY 2019-20 | Dy. Commissioner, State Tax, Circle-C, Kota |
| Goods and Services Tax Act, 2017 | Demand raised by authorities in respect of inadmissible transitional credit claimed | 29.56 | FY 2017-18 | Joint Commissioner (Appeals), Jodhpur |
| Goods and Services Tax Act, 2017 | Demand raised by authorities in respect of inadmissible transitional credit claimed | 0.02 | FY 2017-18 | Superintendent, CGST, Kota |
| Goods and Services Tax Act, 2017 | Demand raised by authorities in respect of excess ITC claimed and short discharge of GST liability | 1.00 | FY 2017-18 | Commissioner of State tax (Appeals), Bihar |
| Goods and Services Tax Act, 2017 | Demand raised by authorities in respect of excess ITC claimed and short discharge of GST liability | 566.40 | FY 2018-19 to FY 2022-23 | Commissioner (Appeals), Patna ** |
| Goods and Services Tax Act, 2017 | Demand raised by authorities in respect of excess ITC claimed | 0.03 | FY 2020-21 | Commissioner (Appeals), Uttar Pradesh ** |
| Goods and Services Tax Act, 2017 | Demand raised by authorities in respect of excess ITC claimed and short discharge of GST liability | 0.02 | FY 2020-21 | Commissioner (Appeals), Gujarat ** |
| Goods and Services Tax Act, 2017 | Demand raised by authorities in respect of excess ITC claimed | 0.15 | FY 2020-21 | Commissioner (Appeals), J&K ** |
| Foreign Exchange Regulation Act, 1973 | Penalty order passed by the Foreign Exchange Regulation Appellate Board for contravention of Section 4(1) of FERA 1947 (ISS) | 0.01 | FY 1980-81 | FERA Board |

* Amount under dispute is net of tax deposited/under protest, if any.

** The Company is in the process of filing appeal with appellate authorities.

- viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not obtained any term loans during the year ended March 31, 2025 and there was no unutilised balance of term loan obtained in earlier years as on April 1, 2024. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the Standalone Financial Statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.
- (e) On an overall examination of the Standalone Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting under this clause. As explained by the management, there is one compliant, received subsequent to March 31, 2025, in respect of which investigation is ongoing as on date of our report and hence, the impact on our audit report in respect of above compliant cannot be considered at this stage.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the Standalone Financial Statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) In our opinion, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly, the reporting under clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone 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. (a) In respect of other than ongoing projects, as at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable.
- (b) The Company has transferred the amount of Corporate Social Responsibility remaining unspent under sub-section (5) of Section 135 of the Act pursuant to ongoing project(s) to a special account in compliance with the provision of sub-section (6) of Section 135 of the Act. (Also, refer Note 34 to the Standalone Financial Statements)
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Abhishek Rara
Partner

Membership Number: 077779
UDIN: 25077779BMMKAL9813

Place : New Delhi
Date : May 08, 2025

STANDALONE BALANCE SHEET AS AT MARCH 31, 2025

| | | (Rs. in Crore) | |
|--|--------|-------------------------|-------------------------|
| Particulars | Notes | As at March 31, 2025 | As at March 31, 2024 |
| ASSETS | | | |
| Non-Current Assets | | | |
| Property, Plant and Equipment | 3 | 6,203.56 | 6,400.88 |
| Capital Work-in-Progress | 27 & 3 | 649.35 | 183.54 |
| Right-of-Use Assets | 3 & 32 | 14.48 | 18.61 |
| Other Intangible Assets | 4A | 3.12 | 3.15 |
| Intangible Assets under Development | 4B | 0.37 | 0.32 |
| Financial Assets | | | |
| i. Investments | 5A | 302.93 | 302.93 |
| ii. Loans | 5B | 0.04 | 0.10 |
| iii. Other Financial Assets | 5C | 3.71 | 3.90 |
| Non-Current Tax Assets (Net) | 36 | 39.67 | 138.64 |
| Other Non-Current Assets | 6 | 322.08 | 166.89 |
| Total Non-Current Assets | | 7,539.31 | 7,218.96 |
| Current Assets | | | |
| Inventories | 7 | 1,802.29 | 1,254.66 |
| Financial Assets | | | |
| i. Investments | 8A | 828.24 | 1,932.19 |
| ii. Trade Receivables | 8B | 367.92 | 191.56 |
| iii. Cash and Cash Equivalents | 8C | 99.02 | 100.79 |
| iv. Bank Balances other than (iii) above | 8D | 124.21 | 19.25 |
| v. Loans | 8E | 0.02 | 0.03 |
| vi. Other Financial Assets | 8F | 159.74 | 111.48 |
| Other Current Assets | 9 | 225.24 | 461.54 |
| Assets Classified as Held for Sale | 42 | 0.52 | 3.03 |
| Total Current Assets | | 3,607.20 | 4,074.53 |
| Total Assets | | 11,146.51 | 11,293.49 |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| Equity Share Capital | 10 | 400.65 | 400.65 |
| Other Equity | 10A | 8,133.81 | 6,722.71 |
| Total Equity | | 8,534.46 | 7,123.36 |
| LIABILITIES | | | |
| Non-Current Liabilities | | | |
| Financial Liabilities | | | |
| i. Borrowings | 11A | - | 1,063.88 |
| ii. Lease Liabilities | 32 | 11.46 | 15.42 |
| iii. Other Financial Liabilities | 11B | 2.39 | - |
| Provisions | 12 | 8.40 | 24.73 |
| Deferred Tax Liabilities (Net) | 36 | 1,411.77 | 1,025.78 |
| Other Non-Current Liabilities | 13 | 4.22 | 4.17 |
| Total Non-Current Liabilities | | 1,438.24 | 2,133.98 |
| Current Liabilities | | | |
| Financial Liabilities | | | |
| i. Borrowings | 14A | - | 709.33 |
| ii. Lease Liabilities | 32 | 4.94 | 4.96 |
| iii. Trade Payables | 14B | | |
| a) total outstanding dues of micro enterprises and small enterprises; and | | 31.11 | 31.60 |
| b) total outstanding dues of creditors other than micro enterprises and small enterprises. | | 598.94 | 761.87 |
| iv. Other Financial Liabilities | 14C | 413.16 | 406.27 |
| Other Current Liabilities | 15 | 85.36 | 80.20 |
| Provisions | 16 | 40.30 | 41.92 |
| Total Current Liabilities | | 1,173.81 | 2,036.15 |
| Total Liabilities | | 2,612.05 | 4,170.13 |
| Total Equity and Liabilities | | 11,146.51 | 11,293.49 |

The accompanying notes form an integral part of the Standalone Financial Statements.
This is the Standalone Balance Sheet referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/ N500016

Abhishek Rara
Partner
Membership No.: 077779

Place : New Delhi
Date : May 08, 2025

For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited

Rita Menon
Director
DIN: 00064714
Anand Agarwal
Chief Financial Officer

Place : New Delhi
Date : May 08, 2025

Abhay Baijal
Managing Director
DIN: 01588087
Tridib Barat
Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025

(Rs. in Crore)

| Particulars | Notes | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
|--|--------|------------------------------|------------------------------|
| Revenue from Operations | 17 | 16,646.20 | 17,966.41 |
| Other Income | 18 | 353.32 | 384.26 |
| Total Income | | 16,999.52 | 18,350.67 |
| Expenses | | | |
| Cost of Materials Consumed | 19 | 6,434.65 | 6,581.95 |
| Purchases of Stock-in-Trade | | 3,426.28 | 4,174.90 |
| Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress | 20 | (544.83) | 145.41 |
| Employee Benefits Expense | 21 | 233.24 | 220.77 |
| Finance Costs | 22 | 48.42 | 173.06 |
| Depreciation and Amortization Expenses | 3 & 4A | 330.14 | 312.79 |
| Other Expenses | 23 | 4,612.59 | 4,799.20 |
| Total Expenses | | 14,540.49 | 16,408.08 |
| Profit Before Tax | | 2,459.03 | 1,942.59 |
| Tax Expense: | | | |
| (1) Current Tax | 36 | 454.60 | 299.17 |
| (2) Tax Related to Earlier Years | 36 | (0.09) | 0.00 |
| (3) Deferred Tax | 36 | 347.73 | 311.98 |
| Total Tax Expense | | 802.24 | 611.15 |
| Profit for the Year | | 1,656.79 | 1,331.44 |
| Other Comprehensive Income (OCI) | | | |
| A. (i) Items that will not be re-classified to Profit or Loss: | | | |
| - Re-measurement Gain / (Loss) on Defined Benefit Plans | 30 | 0.58 | (3.11) |
| (ii) Income Tax (Charge) / Credit relating to items that will not be re-classified to Profit or Loss | 36 | (0.84) | 1.09 |
| B. (i) Items that will be re-classified to Profit or Loss: | | | |
| - Effective Portion of Exchange Difference (Loss) on Hedging Instruments | 39 | (1.65) | (34.48) |
| - Effective Portion of Exchange Difference Loss on Hedging Instruments re-classified to Profit or Loss | 39 | 146.98 | 179.53 |
| (ii) Income Tax (Charge) relating to items that will be re-classified to Profit or Loss | 36 | (70.24) | (50.69) |
| OCI for the Year (Net of Tax) | | 74.83 | 92.34 |
| Total Comprehensive Income for the Year (Comprising Profit and Other Comprehensive Income for the Year) | | 1,731.62 | 1,423.78 |
| Earnings per Equity Share: | | | |
| Basic and Diluted (in Rs.) | 24 | 41.35 | 32.19 |

The accompanying notes form an integral part of the Standalone Financial Statements

This is the Standalone Statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/ N500016

Abhishek Rara
Partner
Membership No. : 077779

For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited

Rita Menon
Director
DIN: 00064714

Anand Agarwal
Chief Financial Officer

Abhay Baijal
Managing Director
DIN: 01588087

Tridib Barat
Company Secretary

Place : New Delhi
Date : May 08, 2025

Place : New Delhi
Date : May 08, 2025

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025

| (Rs. in Crore) | | | | |
|----------------|--|--------------------|------------------------------|------------------------------|
| Sl. No. | Particulars | Notes | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
| A. | Cash Flow from Operating Activities : | | | |
| | Profit Before Tax | | 2,459.03 | 1,942.59 |
| | Adjustments for : | | | |
| | Depreciation and Amortization Expenses | 3 & 4A | 330.14 | 312.79 |
| | (Gain) on Sale of Current Investments | 18 | (116.85) | (89.32) |
| | Fair Value (Gain) on Financial Assets measured at Fair Value through Profit or Loss | 18 | (28.24) | (68.21) |
| | Reversal of Fair Value Loss on Financial Assets measured at Fair Value through Profit or Loss, recognised in earlier years | 18 | (4.83) | (2.12) |
| | Fair Value Loss on Financial Assets measured at Fair Value through Profit or Loss | 23 | 4.00 | - |
| | Fair Value Loss / (Gain) on Derivatives not Designated as Hedge | 18 & 22 | 7.67 | (9.30) |
| | Un-realised Foreign Exchange Variation (Gain) | | (1.08) | (0.32) |
| | Realised Foreign Exchange Variation Loss | | 1.09 | 8.17 |
| | Effective Portion of Exchange Difference Loss on Hedging Instruments re-classified to Profit or Loss | 39 | 146.98 | 179.53 |
| | Loss on Disposal / Write off of Property, Plant and Equipment (Net) and Right -of -Use Assets | 23 | 17.60 | 3.72 |
| | Allowance for Doubtful Debts and Advances (Net) | 18 & 23 | (3.49) | 2.43 |
| | Inventories written off | 23 | 0.00 | 0.01 |
| | Liabilities no longer required Written Back | 18 | (0.05) | (0.01) |
| | Catalyst Charges Written off | 23 | 10.87 | 9.48 |
| | Irrecoverable Balances Written off | 23 | 0.02 | 0.01 |
| | Finance Costs (Interest and Premium) | | 33.69 | 167.12 |
| | Interest (Income) | | (20.37) | (25.62) |
| | Dividend (Income) on Investment in Joint Venture | 18 | (138.90) | (136.18) |
| | Dividend (Income) on Other Non Current Investment | 18 | (0.00) | (0.00) |
| | Operating Profit before Working Capital Changes | | 2,697.28 | 2,294.77 |
| | Working Capital Adjustments: | | | |
| | (Increase) / Decrease in Inventories | | (557.02) | 114.62 |
| | (Increase) / Decrease in Trade Receivables | | (176.81) | 1,566.48 |
| | Decrease / (Increase) in Other Financial Assets - Non-Current | | 0.22 | (0.12) |
| | (Increase) / Decrease in Other Financial Assets - Current | | (48.25) | 2.09 |
| | (Increase) / Decrease in Other Assets - Non-Current | | (192.59) | 0.93 |
| | Decrease in Other Assets - Current | | 240.29 | 32.14 |
| | (Decrease) in Trade Payables | | (162.91) | (422.06) |
| | Increase in Other Financial Liabilities - Non Current | | 2.39 | - |
| | (Decrease) / Increase in Other Financial Liabilities - Current | | (7.49) | 48.40 |
| | Increase in Other Liabilities - Non-Current | | 0.05 | 0.97 |
| | Increase in Other Liabilities - Current | | 5.16 | 26.03 |
| | (Decrease) / Increase in Provisions - Non Current | | (15.75) | 2.98 |
| | (Decrease) / Increase in Provisions - Current | | (1.61) | 5.54 |
| | Cash generated from Operations | | 1,782.96 | 3,672.77 |
| | Income Tax Paid (Net of Refunds) | | (388.12) | (344.47) |
| | Net Cash Flow generated from Operating Activities | | 1,394.84 | 3,328.30 |
| B. | Cash Flow from Investing Activities | | | |
| | Purchase of Property, Plant and Equipment | | (571.84) | (610.34) |
| | Purchase of Intangible Assets | | (1.11) | (2.46) |
| | (Increase) / Decrease of Intangible Assets under Development | | (0.05) | 0.67 |
| | Proceeds from Disposal / Sale of Property, Plant and Equipment | | 2.75 | 3.33 |
| | Purchase of Current Investments | | (15,585.00) | (13,845.00) |
| | Proceeds from Sale of Current Investments | | 16,834.04 | 13,907.64 |

(Rs. in Crore)

| Sl. No. | Particulars | Notes | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
|-----------|--|-------|------------------------------|------------------------------|
| | Proceeds from recovery of Fair Value Loss on Financial Assets measured at Fair Value through Profit or Loss, recognised in earlier years | | 0.83 | 2.12 |
| | Interest Received | | 20.09 | 24.02 |
| | Dividend Received | | 138.90 | 136.18 |
| | Fixed Deposits (placed) / matured (having original maturity of more than three months) | | (99.97) | - |
| | Net Cash Flow generated from / (used in) Investing Activities | | 738.64 | (383.84) |
| C. | Cash Flow from Financing Activities | | | |
| | Repayment of Long Term Borrowings | 45 | (1,783.55) | (875.31) |
| | Repayment of Supplier's Credit | 45 | - | (649.82) |
| | Repayment of Lease Liabilities | 45 | (5.64) | (5.68) |
| | Payment towards Buy-back of equity shares including transaction costs and tax on buy-back | | - | (864.83) |
| | Finance Costs paid (Interest and Premium) | | (25.54) | (163.61) |
| | Dividend Paid | | (320.52) | (312.16) |
| | Net Cash Flow (used in) Financing Activities | | (2,135.25) | (2,871.41) |
| | Net (Decrease) / Increase in Cash and Cash Equivalents (A+B+C) | | (1.77) | 73.05 |
| | Cash and Cash Equivalents at the beginning of the Year | | 100.79 | 27.74 |
| | Cash and Cash Equivalents at the end of the Year | | 99.02 | 100.79 |
| | Components of Cash and Cash Equivalents : | | | |
| | Balances with banks : | | | |
| | - on Current Accounts | | 0.01 | - |
| | - on Cash Credit Accounts | | 99.00 | 35.76 |
| | - Deposits with original maturity of less than three months | | - | 65.00 |
| | Cash on hand | | 0.01 | 0.03 |
| | Total Cash and Cash Equivalents | 8C | 99.02 | 100.79 |

Note: Cash Flow from operating activities for the year ended on March 31, 2025 is after considering corporate social responsibility expenditure of Rs. 34.09 Crore (Previous Year : Rs. 35.25 Crore).

The accompanying notes form an integral part of the Standalone Financial Statements.

This is the Standalone Statement of Cash Flows referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/ N500016

Abhishek Rara
Partner
Membership No. : 077779

Place : New Delhi
Date : May 08, 2025

For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited

Rita Menon
Director
DIN: 00064714

Anand Agarwal
Chief Financial Officer

Place : New Delhi
Date : May 08, 2025

Abhay Baijal
Managing Director
DIN: 01588087

Tridib Barat
Company Secretary

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025

Chambal Fertilisers and Chemicals Limited

A: Equity Share Capital

Equity shares of Rs.10 each issued, subscribed and fully paid (refer note 10)

(Rs. in Crore)

| As at March 31, 2025 | Balance as at April 01, 2024 | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance as at March 31, 2025 |
|----------------------|------------------------------|--|---|---|------------------------------|
| | 400.65 | - | - | - | 400.65 |

(Rs. in Crore)

| As at March 31, 2024 | Balance as at April 01, 2023 | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year* | Balance as at March 31, 2024 |
|----------------------|------------------------------|--|---|--|------------------------------|
| | 416.21 | - | - | (15.56) | 400.65 |

* 1,55,55,555 equity shares of Rs. 10 each bought back during the year.

B: Other Equity

For the Year Ended March 31, 2025

(Rs. in Crore)

| Particulars | Reserves and Surplus | | | | | | | | | | Items of Other Comprehensive Income | Total |
|--|----------------------|----------------------------------|-----------------|--------------------|----------------------------|-----------------|---|--|----------------------------------|-------------------|-------------------------------------|----------|
| | Treasury Shares | Loss on Treasury Shares acquired | Capital Reserve | Securities Premium | Capital Redemption Reserve | General Reserve | Tonnage Tax Reserve under Section 115VT of the Income Tax Act, 1961 | Tonnage Tax Reserve (utilised) Account under Section 115VT of the Income Tax Act, 1961 | Share Option Outstanding Account | Retained Earnings | Cash Flow Hedging Reserve | |
| Balance as at April 01, 2024 | - | - | 0.21 | - | 15.81 | 734.26 | 0.50 | 42.25 | - | 6,153.72 | (224.04) | 6,722.71 |
| Profit for the Year | - | - | - | - | - | - | - | - | - | 1,656.79 | - | 1,656.79 |
| Other Comprehensive Income (Net of Tax): | | | | | | | | | | | | |
| - Re-measurement (Loss) on Defined Benefit Plans | - | - | - | - | - | - | - | - | - | (0.26) | - | (0.26) |
| - Effective Portion of Exchange Difference on Hedging Instruments | - | - | - | - | - | - | - | - | - | - | 75.09 | 75.09 |
| Total Comprehensive Income for the Year | - | - | - | - | - | - | - | - | - | 1,656.53 | 75.09 | 1,731.62 |
| Cash Dividends (refer note 41) | - | - | - | - | - | - | - | - | - | (320.52) | - | (320.52) |
| Buy-back of Equity Shares | - | - | - | - | - | - | - | - | - | - | - | - |
| Tax on Buy-back of Equity Shares | - | - | - | - | - | - | - | - | - | - | - | - |
| Transaction Costs towards Buy-back of Equity Shares | - | - | - | - | - | - | - | - | - | - | - | - |
| Amount transferred to Capital Redemption Reserve upon Buyback of Equity Shares | - | - | - | - | - | - | - | - | - | - | - | - |
| Exercise of Share Options | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfer to Retained Earnings | - | - | - | - | - | - | - | - | - | - | - | - |
| Any Other Change | - | - | - | - | - | - | - | - | - | - | - | - |
| Balance as at March 31, 2025 | - | - | 0.21 | - | 15.81 | 734.26 | 0.50 | 42.25 | - | 7,489.73 | (148.95) | 8,133.81 |

For the Year Ended March 31, 2024

(Rs. in Crore)

| Particulars | Reserves and Surplus | | | | | | | | | | Items of Other Comprehensive Income | Total |
|--|----------------------|----------------------------------|-----------------|--------------------|----------------------------|-----------------|---|--|----------------------------------|-------------------|-------------------------------------|----------|
| | Treasury Shares | Loss on Treasury Shares acquired | Capital Reserve | Securities Premium | Capital Redemption Reserve | General Reserve | Tonnage Tax Reserve under Section 115VT of the Income Tax Act, 1961 | Tonnage Tax Reserve (utilised) Account under Section 115VT of the Income Tax Act, 1961 | Share Option Outstanding Account | Retained Earnings | Cash Flow Hedging Reserve | |
| Balance as at April 01, 2023 | (0.57) | (2.14) | 0.21 | 6.42 | 0.25 | 734.26 | 0.50 | 42.25 | 2.64 | 5,994.94 | (318.40) | 6,460.36 |
| Profit for the Year | - | - | - | - | - | - | - | - | - | 1,331.44 | - | 1,331.44 |
| Other Comprehensive Income (Net of Tax): | | | | | | | | | | | | |
| - Re-measurement (Loss) on Defined Benefit Plans | - | - | - | - | - | - | - | - | - | (2.02) | - | (2.02) |
| - Effective Portion of Exchange Difference on Hedging Instruments | - | - | - | - | - | - | - | - | - | - | 94.36 | 94.36 |
| Total Comprehensive Income for the Year | - | - | - | - | - | - | - | - | - | 1,329.42 | 94.36 | 1,423.78 |
| Cash Dividends (refer note 41) | - | - | - | - | - | - | - | - | - | (312.16) | - | (312.16) |
| Buy-back of Equity Shares | - | - | - | (6.42) | - | - | - | - | - | (678.03) | - | (684.45) |
| Tax on Buy-back of Equity Shares | - | - | - | - | - | - | - | - | - | (159.45) | - | (159.45) |
| Transaction Costs towards Buy-back of Equity Shares | - | - | - | - | - | - | - | - | - | (5.37) | - | (5.37) |
| Amount transferred to Capital Redemption Reserve upon Buyback of Equity Shares | - | - | - | - | 15.56 | - | - | - | - | (15.56) | - | - |
| Exercise of Share Options | 0.57 | (0.06) | - | - | - | - | - | - | - | - | - | 0.51 |
| Transfer to Retained Earnings | - | 2.20 | - | - | - | - | - | - | (2.64) | 0.44 | - | - |
| Any Other Change (refer note below) | - | - | - | - | - | - | - | - | - | (0.51) | - | (0.51) |
| Balance as at March 31, 2024 | - | - | 0.21 | - | 15.81 | 734.26 | 0.50 | 42.25 | - | 6,153.72 | (224.04) | 6,722.71 |

Note: Any other change in retained earnings represents dividend on treasury shares and net results of ESOP trust operations.

The accompanying notes form an integral part of the Standalone Financial Statements.

This is the Standalone Statement of Changes in Equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/ N500016

Abhishek Rara
Partner
Membership No. : 077779

For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited

Rita Menon
Director
DIN: 00064714

Anand Agarwal
Chief Financial Officer

Abhay Bajjal
Managing Director
DIN: 01588087

Tridib Barat
Company Secretary

Place : New Delhi
Date : May 08, 2025

Place : New Delhi
Date : May 08, 2025

Notes to the Standalone Financial Statements for the year ended March 31, 2025

1. Corporate Information

Chambal Fertilisers and Chemicals Limited (the 'Company') is a public company domiciled in India and has been incorporated under the provisions of the Companies Act, 1956 having a CIN: L24124RJ1985PLC003293. Its equity shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at Gadepan, District Kota, Rajasthan, PIN - 325208.

The Company is engaged in production of Urea and has three Urea plants. Apart from manufacture of Urea, the Company also deals in other fertilisers and Agri-inputs.

These financial statements were authorised for issuance by the Board of Directors of the Company at its meeting held on May 08, 2025.

2. (a) Basis of Preparation

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 ("the Act") and other relevant rules and provisions of the Act, as applicable.

The financial statements have been prepared on an accrual basis and under the historical cost basis, except for the following material items those have been measured at fair value as required by relevant Ind AS:

- Derivative financial instruments;
- Certain financial assets and liabilities measured at fair value;
- Defined benefit plans and other long-term employee benefits; and
- Investment in debt instruments (i.e. preference shares).

The financial statements of the Company are presented in Indian Rupees (Rs.) and all values are presented in Crore, except when otherwise indicated.

The transactions and balances with values below rounding off norm adopted by the Company have been reflected as 0.00 in the financial statements.

Assets and Liabilities in the balance sheet have been classified as either current or non-current, except the following basis the normal operating cycle of the Company. Operating cycle of the Company is determined as 12 months.

- Deferred tax assets and liabilities are classified as non-current assets and liabilities.
- Leave encashment as the Company does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

New and amended standards adopted by the Company.

The Ministry of Corporate Affairs vide notification dated 9 September 2024 and 28 September 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/ notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1 April 2024.

- Insurance contracts - Ind AS 117; and
- Lease Liability in Sale and Leaseback – Amendments to Ind AS 116

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2. (b) Foreign Currency Translation

(i) Functional and Presentation Currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupees (Rs.), which is Company's functional and presentation currency.

(ii) Initial Recognition

Transactions in foreign currencies are recorded in the functional currency, by applying to the foreign currency amount, the exchange rate between the functional currency and the foreign currency at the date of the transaction.

(iii) Conversion

Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Non-monetary items that are measured in terms of historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items, measured at fair value denominated in a foreign currency are translated using the exchange rates that existed when the fair value was determined.

(iv) Exchange Differences

Exchange differences arising on settlement or translation of monetary items are generally recognised in the Statement of Profit and Loss.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income (OCI), or profit and loss are also recognised in OCI or profit and loss, respectively).

(v) Translation of Foreign Operations

As of now we do not have any foreign operations, the erstwhile shipping division of the Company was operating under foreign operations. Cumulative currency translation differences for foreign operations were deemed to be zero at the date of transition to Ind AS, viz., April 01, 2015. Gain or loss on subsequent disposal of any foreign operations excludes translation differences that arose before the date of transition but includes only translation differences arising after the date of transition.

2. (c) Treasury Shares

The Company has created CFCL Employees Welfare Trust ('ESOP Trust') for providing share-based payment to its employees. The ESOP Trust is used as a vehicle for distributing shares to employees under the Employees Stock Option Scheme. The ESOP Trust has bought shares of the Company from the market, for giving shares to employees. The ESOP Trust is treated as its extension and shares held by ESOP Trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) have been recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue, or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during any reporting period are satisfied with treasury shares.

2. (d) Material Accounting policies

The material accounting policies used in preparation of the standalone financial statements have been included in the relevant notes to the standalone financial statements.

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE BALANCE SHEET AS AT MARCH 31, 2025

Note 3 : Property, Plant and Equipment and Right -of-Use Assets

Accounting policy

Property, Plant and Equipment (PPE) are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, including import duties and non- refundable purchase taxes, borrowing costs, if recognition criteria are met and any directly attributable cost of bringing the asset to its working condition for the intended use. 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. 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 PPE are capitalized at cost. Otherwise, such items are classified as inventories.

Catalysts which are used in commissioning of new plant are capitalized and are amortized based on the estimated useful life as technically assessed. Subsequent issues of catalysts, if any, are treated as inventory.

Gains or losses arising from derecognition of the assets 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 and Loss when the asset is derecognized.

Depreciation on PPE is calculated using the straight-line method to allocate their cost, net of their residual values, over their useful lives estimated by the management based on technical evaluation, which are equal to the useful life prescribed under Schedule II to the Companies Act, 2013, other than the cases as mentioned in table below from S.No. (i) to (vi), where the useful lives are different from those prescribed in Schedule II to the Companies Act, 2013. 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 used. A major portion of the plant and equipment of the Company has been considered as continuous process plant.

The estimated useful lives of assets are as follows:

| S. No | Assets | Useful lives |
|-------|---|--|
| (i) | - Leasehold Land - Leasehold Improvements - Assets under finance lease - Right-of-Use Assets | Amortised over 99 Years Ranging from 3 to 15 Years Ranging from 3 to 9 Years Over the life of lease period. (These assets are amortised over the period of respective leases or useful lives of assets, whichever is lower.) |
| (ii) | Plant and Equipment | Over their useful lives ranging from 1 to 35 years |
| (iii) | Insurance / Capital / Critical Stores and Spares | Over the remaining useful life of related plant and equipment or useful life of insurance / capital / critical spare part, whichever is lower. |
| (iv) | Vehicles | Depreciated over 5 years. After the expiry of 5 years, the vehicle gets normally replaced. |
| (v) | Railway Siding | 30 years based on technical evaluation that the railway siding is currently in use. |
| (vi) | Building (other than factory building) and Reinforced Cement Concrete Frame Structure | Over their useful lives ranging from 10 to 60 years. |

Assets costing below Rs. 5,000 are depreciated in the year of purchase.

The residual values, useful lives, and methods of depreciation of PPE and Right-of-Use Assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

For Accounting policy of Right -of -Use Assets, refer note 32.

(Rs in Crore)

| Particulars | Own Assets | | | | | | | | | | | | Right - of - Use Assets (refer note 32) |
|-------------------------|---------------|----------------|-----------|------------------------|---|----------------|---------------------|-------------------|------------------|------------------------|----------|----------|---|
| | Land-Freehold | Land-Leasehold | Buildings | Leasehold Improvements | Leasehold Improvements (on Finance Lease) | Railway Siding | Plant and Equipment | Factory Equipment | Office Equipment | Furniture and Fittings | Vehicles | Total | |
| Gross Book Value | | | | | | | | | | | | | |
| As at April 01, 2023 | 7.81 | 4.30 | 804.21 | 0.22 | 1.08 | 13.66 | 6,741.92 | 27.36 | 31.97 | 7.89 | 22.51 | 7,662.93 | 39.16 |
| Additions | 0.01 | - | 33.06 | - | - | 0.08 | 422.01 | 13.03 | 4.41 | 1.28 | 3.53 | 477.41 | 2.05 |
| Deletions | - | - | - | - | - | - | (23.24) | (0.18) | (1.15) | (0.02) | (2.35) | (26.94) | - |
| As at March 31, 2024 | 7.82 | 4.30 | 837.27 | 0.22 | 1.08 | 13.74 | 7,140.69 | 40.21 | 35.23 | 9.15 | 23.69 | 8,113.40 | 41.21 |
| Additions | 0.97 | - | 28.63 | - | - | - | 103.18 | 0.02 | 6.35 | 1.73 | 3.73 | 144.61 | 1.68 |
| Deletions | - | - | (0.39) | (0.01) | - | (0.03) | (31.75) | (0.29) | (1.71) | (0.07) | (1.79) | (36.04) | (1.52) |
| As at March 31, 2025 | 8.79 | 4.30 | 865.51 | 0.21 | 1.08 | 13.71 | 7,212.12 | 39.94 | 39.87 | 10.81 | 25.63 | 8,221.97 | 41.37 |
| Depreciation | | | | | | | | | | | | | |
| As at April 01, 2023 | - | 0.44 | 121.96 | 0.15 | 0.93 | 2.13 | 1,254.17 | 10.06 | 21.99 | 3.12 | 8.57 | 1,423.52 | 17.56 |
| Charge for the Year | - | 0.06 | 27.32 | 0.01 | - | 0.53 | 268.35 | 2.23 | 3.72 | 0.69 | 4.15 | 307.06 | 5.04 |
| Deletions | - | - | - | - | - | - | (14.89) | (0.08) | (1.05) | (0.02) | (2.02) | (18.06) | - |
| As at March 31, 2024 | - | 0.50 | 149.28 | 0.16 | 0.93 | 2.66 | 1,507.63 | 12.21 | 24.66 | 3.79 | 10.70 | 1,712.52 | 22.60 |
| Charge for the Year | - | 0.06 | 28.58 | - | - | 0.53 | 282.71 | 2.50 | 4.42 | 0.83 | 4.47 | 324.10 | 4.91 |
| Deletions | - | - | (0.35) | (0.00) | - | - | (14.44) | (0.15) | (1.58) | (0.06) | (1.63) | (18.21) | (0.62) |
| As at March 31, 2025 | - | 0.56 | 177.51 | 0.16 | 0.93 | 3.19 | 1,775.90 | 14.56 | 27.50 | 4.56 | 13.54 | 2,018.41 | 26.89 |
| Net Book Value | | | | | | | | | | | | | |
| As at March 31, 2024 | 7.82 | 3.80 | 687.99 | 0.06 | 0.15 | 11.08 | 5,633.06 | 28.00 | 10.57 | 5.36 | 12.99 | 6,400.88 | 18.61 |
| As at March 31, 2025 | 8.79 | 3.74 | 688.00 | 0.05 | 0.15 | 10.52 | 5,436.22 | 25.38 | 12.37 | 6.25 | 12.09 | 6,203.56 | 14.48 |

Footnotes:

- Freehold land having carrying value of Rs. 0.01 Crore (Previous Year : Rs. 0.01 Crore) and Leasehold land having carrying value of Rs. 0.33 Crore (Previous Year : Rs. 0.34 Crore) are yet to be registered in the Company's name.
- The carrying value of Buildings includes Rs. 0.00 Crore (Previous Year : Rs. 0.00 Crore) representing undivided share in assets jointly owned with others.
- Deletions from Plant and Equipment includes Plant and Equipment having gross block of Rs. 3.94 Crore (Previous Year: Rs. 11.71 Crore) and Vehicles having gross block of Rs. 0.37 Crore (Previous Year: Rs. 0.00 Crore) and Accumulated Depreciation of Plant and Equipment of Rs. 1.46 Crore (Previous Year: Rs. 6.33 Crore) and Vehicles of Rs. 0.35 Crore (Previous Year: Rs. 0.00 Crore) transferred to "Assets held for sale" (refer note 42).
- Leasehold Improvements have been fully depreciated during the current year and are carried at residual value.
- Leasehold Improvements (on Finance Lease) had been fully depreciated in earlier years and are carried at residual value.
- Capital Work-in-Progress of Rs. 649.35 Crore (Previous Year : Rs. 183.54 Crore) primarily represents capital expenditure comprising direct costs, related incidental expenditure and borrowing costs majorly in respect of Technical Ammonium Nitrate Project and other Plant and Equipment & Buildings.

Capital Work-in-Progress ("CWIP")
As at March 31, 2025
(a) Ageing Schedule

(Rs. in Crore)

| CWIP | Amount in CWIP for a period of | | | | Total |
|----------------------|--------------------------------|-----------|-----------|-------------------|--------|
| | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| Projects in Progress | 513.73 | 131.68 | 3.94 | - | 649.35 |

As at March 31, 2024

(a) Ageing Schedule

(Rs. in Crore)

| CWIP | Amount in CWIP for a period of | | | | Total |
|----------------------|--------------------------------|-----------|-----------|-------------------|--------|
| | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| Projects in Progress | 176.25 | 7.29 | - | - | 183.54 |

Note: There are no projects as at March 31, 2025 and March 31, 2024 whose completion is overdue or has exceeded its cost compared to its original plan.

Note 4A : Other Intangible Assets

Accounting policy

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets with finite lives are amortised on a straight line basis over the estimated useful economic life. Software is the acquired intangible asset.

Management of the Company assessed the useful life of software as finite and cost of software is amortized over its estimated useful life of five years on straight line basis.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with Ind AS-8 "Accounting Policies, Changes in Accounting Estimates and Errors".

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 and Loss when the asset is derecognized.

(Rs. in Crore)

| Particulars | Software | Total |
|-----------------------------|--------------|--------------|
| Gross Book Value | | |
| As at April 01, 2023 | 9.66 | 9.66 |
| Additions | 2.46 | 2.46 |
| Deletions | - | - |
| As at March 31, 2024 | 12.12 | 12.12 |
| Additions | 1.11 | 1.11 |
| Deletions | (1.04) | (1.04) |
| As at March 31, 2025 | 12.19 | 12.19 |
| Amortization | | |
| As at April 01, 2023 | 8.28 | 8.28 |
| Charge for the year | 0.69 | 0.69 |
| Deletions | - | - |
| As at March 31, 2024 | 8.97 | 8.97 |
| Charge for the year | 1.13 | 1.13 |
| Deletion | (1.03) | (1.03) |
| As at March 31, 2025 | 9.07 | 9.07 |
| Net Book Value | | |
| As at March 31, 2024 | 3.15 | 3.15 |
| As at March 31, 2025 | 3.12 | 3.12 |

Note 4B : Intangible Assets Under Development

Intangible assets under development of Rs. 0.37 Crore represents Mobile Application for Farmers and Plant logbook automation (Previous Year : Rs. 0.32 Crore represents Digital Intervention Mobile Application).

Intangible assets under development ageing schedule
As at March 31, 2025

(Rs. in Crore)

| Intangible Assets under Development | Amount in Intangible Assets under Development for a period of | | | | Total |
|-------------------------------------|---|-----------|-----------|-------------------|-------------|
| | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| Projects in progress | 0.37 | - | - | - | 0.37 |
| Total | 0.37 | - | - | - | 0.37 |

As at March 31, 2024

(Rs. in Crore)

| Intangible Assets under Development | Amount in Intangible Assets under Development for a period of | | | | Total |
|-------------------------------------|---|-----------|-----------|-------------------|-------------|
| | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| Projects in progress | 0.32 | - | - | - | 0.32 |
| Total | 0.32 | - | - | - | 0.32 |

Note: There are no projects as at March 31, 2025 and March 31, 2024 whose completion is overdue or has exceeded its cost compared to its original plan.

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Non-Current Financial Assets | | |
| Note 5A : Non-Current Investments | | |
| For Accounting policy refer note 38 | | |
| A. Investment carried at Deemed Cost | | |
| Equity Instruments (Unquoted) | | |
| Subsidiary Companies | | |
| - 94,00,000 (Previous Year: 94,00,000) equity shares of Rs.10 each fully paid up in Chambal Infrastructure Ventures Limited | 3.60 | 3.60 |
| - 29,32,947 (Previous Year: 29,32,947) ordinary shares of US\$ 0.0001 each fully paid up in CFCL Ventures Limited | 0.00 | 0.00 |
| Joint Venture | | |
| - 2,06,666 (Previous Year: 2,06,666) shares of Moroccan Dirham 1,000 each fully paid up in Indo Maroc Phosphore S.A.- IMACID | 285.87 | 285.87 |
| B. Investment carried at Fair Value through Profit or Loss | | |
| Equity Instruments (Unquoted) | | |
| - 20,000 (Previous Year: 20,000) equity shares of Rs.10 each fully paid up in Shivalik Solid Waste Management Limited | 0.02 | 0.02 |
| - 2,180 (Previous Year: 2,180) equity shares of Rs.10 each fully paid up in Woodlands Multispeciality Hospital Limited | 0.00 | 0.00 |
| Preference Shares (Unquoted) | | |
| Subsidiary Companies | | |
| - 80,01,48,60,459 (Previous Year: 80,01,48,60,459) preference shares of US\$ 0.0001 each fully paid up in CFCL Ventures Limited (refer footnote 1 & 2 below) | 13.44 | 13.44 |
| C. Investment carried at Amortised Cost | | |
| Government Securities (Unquoted) | | |
| - 6 Year National Savings Certificates VIII Issue (lodged with Government Authorities) | 0.00 | 0.00 |
| - Indira Vikas Patra | 0.00 | 0.00 |
| | 302.93 | 302.93 |
| Aggregate amount of Unquoted Investments | 302.93 | 302.93 |
| Aggregate amount of impairment in the value of investments | - | - |

Footnotes:

- CFCL Ventures Limited ("CVL") has issued ordinary shares, preference shares (series A-1, B-1, C-1, D-1, E-1, F-1, G, H, I, J & K) and warrants for ordinary shares and preference shares (series G, H & I). Conversion ratio of different series of non cumulative convertible preference shares into ordinary shares of CVL are as follows-Series A1 & B1 preference shares will be converted in the ratio of 1:1.22, Series C1, D1, E1 preference shares will be converted in the ratio of 1:1.68, Series F-1 preference shares will be converted in the ratio

of 1:1.33, Series G, H, I, J & K preference shares will be converted in the ratio of 1:1. This conversion is subject to adjustments set forth, if any, in the Articles of Association of CVL.

2. During the previous years, ISGN Corporation ("ISGN, USA") and ISG Novasoft Technologies Limited, ("ISGN, India"), subsidiaries of CVL have sold / transferred certain assets / liabilities to the respective buyers.

As part of the aforesaid transactions, the Company executed keepwell agreements with the respective buyers and the concerned subsidiaries. As per the terms of the aforesaid keepwell agreements, the Company has to ensure that the concerned subsidiary has sufficient funds to enable it to make payments against indemnity obligations of the subsidiary under the agreements executed for sale / transfer of assets / liabilities. The aggregate indemnity obligations of the subsidiaries under the aforesaid agreements shall not exceed Rs. 134.19 Crore (Previous Year: Rs. 131.80 Crore).

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Note 5B : Non Current Loans | | |
| (a) Loans Receivables Considered Good - Secured | - | - |
| (b) Loans Receivables Considered Good - Unsecured | 0.04 | 0.10 |
| (c) Loans Receivables which have significant increase in Credit Risk | - | - |
| (d) Loans Receivables credit impaired | - | - |
| | 0.04 | 0.10 |
| Less: Loss Allowance | - | - |
| Total Loans (Net of Allowance) | 0.04 | 0.10 |
| There are no loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties in current and previous year. | | |
| Note 5C : Other Non Current Financial Assets | | |
| (Unsecured, Considered Good) | | |
| Security Deposits | 3.71 | 3.87 |
| Deposit with Banks having maturity more than 12 months (refer note 8D) | - | 0.03 |
| | 3.71 | 3.90 |
| Note 6 : Other Non-Current Assets | | |
| (Unsecured, Considered Good) | | |
| Capital Advances | 122.84 | 158.76 |
| Balances with statutory/ government authorities | 193.37 | - |
| Catalysts in use (valued based on life technically assessed) | 4.68 | 6.16 |
| Prepaid Expenses | 1.19 | 1.97 |
| | 322.08 | 166.89 |

Note 7 : Inventories

Accounting Policy

Inventories are valued as follows:

| | |
|---|---|
| Raw Materials, Packing Materials, Other Stores and Spares | Lower of cost and net realisable value. However, materials and other items held for use in the production of finished goods are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis. |
| Work in Process and Finished Goods | Lower of cost and net realisable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average basis. |
| Traded Products | Lower of cost and net realisable value. Cost is determined on weighted average basis. |
| Spares and Lubricants * | Lower cost and net realisable value. Cost is determined on weighted average basis. |
| Catalyst in Use | Based on amortized cost and consumption over the period based on technical assessment ranging from two to twenty years. |
| Loose Tools | At depreciated cost arrived at on the basis of amortization over a period of three years. |

* Included under the inventory of stores and spares.

Cost includes the necessary cost incurred in bringing inventory to its present location and condition necessary for use.

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.

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Inventories consist of the following: | | |
| Raw Materials | 1.48 | 1.66 |
| Work-in-Progress | 12.57 | 14.98 |
| Finished Goods {including in transit- Rs. 42.00 Crore (Previous Year: Rs. 65.30 Crore)} | 477.76 | 519.42 |
| Traded Goods {including in transit- Rs. 260.45 Crore (Previous Year: Rs. 64.53 Crore)} | 1,125.68 | 536.78 |
| Stores and Spares {including in transit- Nil (Previous Year: Rs. 0.71 Crore)} | 124.70 | 114.92 |
| Loose Tools | 0.12 | 0.16 |
| Catalysts in use (valued based on life technically assessed) | 47.75 | 56.27 |
| Packing Materials | 12.23 | 10.47 |
| | 1,802.29 | 1,254.66 |
| Current Financial Assets | | |
| Note 8A : Current Investments | | |
| For Accounting policy refer note 38 | | |
| Investment carried at Fair Value through Profit or Loss | | |
| Unquoted | | |
| Investment in Mutual Funds | | |
| Nil (Previous Year: 16,63,644.60) units in Axis Liquid Fund - Direct Growth | - | 446.47 |
| 14,60,090.88 (Previous Year: Nil) units in Axis Money Market Fund Direct Growth (MMDGG) | 206.74 | - |
| 3,49,873.55 (Previous Year: Nil) units in Kotak Money Market Fund - (Growth) - Direct | 155.53 | - |
| Nil (Previous Year: 12,63,411.09) units in ICICI Prudential Liquid Fund - Direct Plan Growth | - | 45.16 |
| Nil (Previous Year: 6,67,880.32) units in Nippon India Liquid Fund - Direct Plan - Growth Plan - Growth Option | - | 394.65 |
| 2,51,534.61 (Previous Year: Nil) units in Nippon India Money Market Fund - Direct Plan Growth Plan - Growth Option | 103.68 | - |
| Nil (Previous Year: 12,06,039.02) units in SBI Liquid Fund Direct Growth | - | 455.79 |
| Nil (Previous Year: 3,86,031.90) units in DSP Liquidity Fund - Direct Plan - Growth | - | 133.23 |
| 5,08,261.49 (Previous Year: 6,86,199.13) units in UTI Liquid fund - Direct Plan - Growth | 155.56 | 271.60 |
| Nil (Previous Year: 6,35,135.95) units in Bandhan Liquid Fund - Growth - Direct Plan | - | 185.29 |
| 56,22,538.42(Previous Year: Nil) units in Aditya Birla Sun Life Money Manager Fund - Dir - Growth | 206.73 | - |
| Total Investment in Mutual Funds | 828.24 | 1,932.19 |
| Investment in Bonds | | |
| 320 (Previous Year: 320), 9.45% Corporate Bonds of Rs.10,00,000 each in IL&FS Transportation Networks Limited # | - | - |
| Total Unquoted Investment | 828.24 | 1,932.19 |
| Quoted | | |
| Investment in InvIT Units | | |
| 4,00,000 (Previous Year: Nil), InvIT Unit of Rs.100 each in Roadstar Infra Investment Trust | - | - |
| Total Quoted Investment | - | - |
| Aggregate amount of Unquoted Investments | 828.24 | 1,932.19 |
| Add: Reversal of Fair Value Loss on Investment measured at Fair value through Profit or Loss recognised in earlier years | 4.83 | 2.12 |

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Less: 4,00,000 quoted InvIT units allotted as part of interim distribution | (4.00) | - |
| Less: Amount received | (0.83) | (2.12) |
| Total aggregate amount of Unquoted Investments | 828.24 | 1,932.19 |
| Aggregate amount of Quoted Investments | - | - |
| Add: 4,00,000 InvIT units allotted as part of interim distribution | 4.00 | - |
| Less: Fair Value Loss on Investment carried at Fair Value through Profit or Loss | (4.00) | - |
| Total aggregate amount of Quoted Investments | - | - |
| Total Current Investments | 828.24 | 1,932.19 |
| Aggregate amount of impairment in value of investment | 4.00 | - |

Fair Value Loss had been recognised for the total 320 Corporate Bonds valued Rs. 32.00 Crore during the earlier years. Subsequently, an amount of Rs. 6.95 Crore have been recovered till now, accordingly, the fair value loss to the extent of recovery has been reversed which includes an allotment of 4,00,000 InvIT units allotted as part of interim distribution valuing Rs. 4.00 Crore, on which, further fair value loss of Rs. 4.00 Crore has been recognized due to lack of marketability of the units during the year.

Note 8B : Trade Receivables

Accounting Policy

The Group recognises an allowance for expected credit losses (ECLs) for assets carried at amortised cost and FVOCI debt instruments. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the trade receivables and the economic environment. For debt instruments at fair value through OCI, the Group applies the low credit risk simplification.

Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company fulfils its performance obligation 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

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).

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| Trade Receivables consist of the following: | | |
| Trade Receivables Considered Good - Secured | 51.23 | 24.01 |
| Trade Receivables Considered Good - Unsecured (including subsidy receivable from Government of India- Rs. 265.45 Crore (Previous Year: Rs.133.14 Crore) | 316.69 | 167.55 |
| Trade Receivables which have significant increase in credit risk | - | - |
| Trade Receivables credit impaired - (including subsidy receivable from Government of India - Rs. 2.90 Crore (Previous Year : Rs. 2.90 Crore)) | 4.05 | 19.01 |
| | 371.97 | 210.57 |
| Less: Loss Allowance | 4.05 | 19.01 |
| Total Trade Receivables (Net of Loss Allowance) | 367.92 | 191.56 |

Trade Receivables Ageing Schedule
As at March 31, 2025

(Rs. in Crore)

| S No. | Particulars | Not Due* | Outstanding for following periods from due date of payment | | | | | Total |
|--------|---|-----------------|--|-------------------|-------------|-------------|-------------------|---------------|
| | | | Less than 6 months | 6 months - 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| (i) | Undisputed Trade receivables – considered good - Secured | 48.41 | 2.63 | 0.03 | 0.03 | - | 0.13 | 51.23 |
| (ii) | Undisputed Trade receivables – considered good - Unsecured | (206.83) | 509.16 | 10.63 | 0.00 | 3.73 | - | 316.69 |
| (iii) | Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iv) | Undisputed Trade Receivables – credit impaired | 0.61 | 0.54 | 0.02 | 0.00 | 0.00 | 2.29 | 3.46 |
| (v) | Disputed Trade receivables – considered good - Secured | - | - | - | - | - | - | - |
| (vi) | Disputed Trade receivables – considered good - Unsecured | - | - | - | - | - | - | - |
| (vii) | Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (viii) | Disputed Trade Receivables – credit impaired | - | - | - | 0.05 | 0.03 | 0.51 | 0.59 |
| | Total | (157.81) | 512.33 | 10.68 | 0.08 | 3.76 | 2.93 | 371.97 |

* The figures in brackets represent the amount payable towards De-escalation of Subsidy

As at March 31, 2024

(Rs. in Crore)

| S No. | Particulars | Not Due | Outstanding for following periods from due date of payment | | | | | Total |
|--------|---|--------------|--|-------------------|-------------|-------------|-------------------|---------------|
| | | | Less than 6 months | 6 months - 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| (i) | Undisputed Trade receivables – considered good - Secured | 18.43 | 4.67 | 0.02 | 0.02 | - | 0.87 | 24.01 |
| (ii) | Undisputed Trade receivables – considered good - Unsecured | 68.50 | 94.67 | 0.02 | 4.14 | - | 0.22 | 167.55 |
| (iii) | Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iv) | Undisputed Trade Receivables – credit impaired | 0.61 | 0.08 | 0.02 | 0.04 | - | 2.29 | 3.04 |
| (v) | Disputed Trade receivables – considered good - Secured | - | - | - | - | - | - | - |
| (vi) | Disputed Trade receivables – considered good - Unsecured | - | - | - | - | - | - | - |
| (vii) | Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (viii) | Disputed Trade Receivables – credit impaired | - | - | - | - | 0.34 | 15.63 | 15.97 |
| | Total | 87.54 | 99.42 | 0.06 | 4.20 | 0.34 | 19.01 | 210.57 |

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|----------------------|----------------------|
| Note 8C : Cash and Cash Equivalents | | |
| Balances with Banks : | | |
| On Current Accounts | 0.01 | - |
| On Cash Credit Accounts | 99.00 | 35.76 |
| Deposits with original maturity of less than 3 months | - | 65.00 |
| Cash on hand | 0.01 | 0.03 |
| | 99.02 | 100.79 |

There is no repatriation restrictions on cash and cash equivalents.

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Note 8D : Bank Balances other than 8C above | | |
| On Unpaid Dividend Accounts | 24.21 | 19.25 |
| Deposits with original maturity for more than 3 months but less than 12 months | 100.00 | - |
| Deposits with remaining maturity for more than 12 months * | - | 0.03 |
| | 124.21 | 19.28 |
| Less: Deposits with remaining maturity of more than 12 months disclosed under 'other non current financial assets' (refer note 5C) | - | 0.03 |
| | 124.21 | 19.25 |
| * Fixed Deposit receipts of Nil (Previous Year : Rs. 0.03 Crore) are pledged with Sales Tax Authorities. | | |
| Note 8E : Current Loans | | |
| Loans to Employees: | | |
| (a) Loans Receivables Considered Good - Secured | - | - |
| (b) Loans Receivables Considered Good - Unsecured | 0.02 | 0.03 |
| (c) Loans Receivables which have significant increase in Credit Risk | - | - |
| (d) Loans Receivables credit impaired | - | - |
| | 0.02 | 0.03 |
| Note 8F : Other Current Financial Assets | | |
| (Unsecured and Considered Good) | | |
| Security Deposits | 0.87 | 0.60 |
| Receivable from Gas Pool Operator | 139.93 | 80.30 |
| Receivable from Joint Venture (refer note 29) | 0.22 | 0.08 |
| Insurance and Other Claims Receivable | - | 12.17 |
| Interest Receivable on Deposits | 0.08 | 0.02 |
| Rebates and Other General Receivables | 18.64 | 18.31 |
| | 159.74 | 111.48 |
| Note 9 : Other Current Assets | | |
| (Unsecured and Considered Good, except to the extent stated) | | |
| Advances to Suppliers | 19.38 | 16.22 |
| (Considered Doubtful Rs. 0.19 Crore (Previous Year : Rs. 0.19 Crore)) | | |
| Balances with Statutory / Government Authorities | 187.65 | 426.66 |
| (Considered Doubtful Rs. 1.46 Crore (Previous Year: Rs. 5.44 Crore)) | | |
| Interest Receivable | 0.33 | 0.33 |
| Prepaid Expenses | 19.22 | 22.35 |
| Other General Receivables | 0.31 | 1.61 |
| | 226.89 | 467.17 |
| Less: Loss Allowance | 1.65 | 5.63 |
| | 225.24 | 461.54 |
| Note 10 : Share Capital | | |
| Authorised : | | |
| 44,00,00,000 (Previous Year : 44,00,00,000) Equity Shares of Rs.10 each | 440.00 | 440.00 |
| 21,00,00,000 (Previous Year : 21,00,00,000) Redeemable Preference Shares of Rs.10 each | 210.00 | 210.00 |
| | 650.00 | 650.00 |
| Issued, Subscribed and Paid up : | | |
| 40,06,52,297 (Previous Year: 40,06,52,297) Equity Shares of Rs.10 each, fully paid up | 400.65 | 400.65 |
| | 400.65 | 400.65 |

a) **Reconciliation of the Shares Outstanding at the beginning and at the end of the Reporting Periods**

| Particulars | As at March 31, 2025 | | As at March 31, 2024 | |
|---|----------------------|---------------|----------------------|---------------|
| | No of Shares | Rs. in Crore | No of Shares | Rs. in Crore |
| At the beginning of the year | 40,06,52,297 | 400.65 | 41,62,07,852 | 416.21 |
| Less: Buyback of equity shares (refer note 10(e)) | - | - | 1,55,55,555 | 15.56 |
| Outstanding at the end of the year | 40,06,52,297 | 400.65 | 40,06,52,297 | 400.65 |

b) **Terms / Rights attached to Equity Shares**

The Company has only one class of shares having a par value of Rs.10 per share fully paid up. Each holder of equity shares is entitled to one vote per share and the equity shares will rank pari passu with each other in all respects. The Company declares and pays dividend in Indian rupees. The dividend recommended / proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting. Further, the Board of Directors may also declare an interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after payment of all liabilities.

c) **Shareholding of Promoters and Promoter Group**

| Name | As at March 31, 2025 | | | As at March 31, 2024 | | |
|--|----------------------|-------------------|--------------------------|----------------------|-------------------|--------------------------|
| | No. of shares | % of total shares | % Change during the year | No. of shares | % of total shares | % Change during the year |
| (A) Promoters: | | | | | | |
| Jyotsna Poddar | 42,51,972 | 1.06 | - | 42,51,972 | 1.06 | 0.00 |
| Nandini Nopany | 6,78,257 | 0.17 | - | 6,78,257 | 0.17 | 0.00 |
| Shobhana Bhartia | 26,28,043 | 0.66 | - | 26,28,043 | 0.66 | 0.00 |
| RTM Investment and Trading Co. Ltd. | 19,05,618 | 0.48 | - | 19,05,618 | 0.48 | 0.01 |
| SCM Investment & Trading Co. Ltd. | 5,68,732 | 0.14 | - | 5,68,732 | 0.14 | 0.00 |
| SIL Investments Limited | 3,26,19,484 | 8.14 | - | 3,26,19,484 | 8.14 | 0.02 |
| The Hindustan Times Limited | 5,72,20,071 | 14.28 | - | 5,72,20,071 | 14.28 | 0.02 |
| Zuari Industries Limited (formerly Zuari Global Limited) | 5,69,64,966 | 14.22 | - | 5,69,64,966 | 14.22 | 0.04 |
| Sub Total (A) | 15,68,37,143 | 39.15 | - | 15,68,37,143 | 39.15 | |
| (B) Promoter Group: | | | | | | |
| Adventz Finance Private Limited | 10,28,589 | 0.26 | - | 10,28,589 | 0.26 | 0.00 |
| Adventz Securities Enterprises Limited | 1,64,116 | 0.04 | - | 1,64,116 | 0.04 | 0.00 |
| Akshay Poddar | 22,44,255 | 0.56 | - | 22,44,255 | 0.56 | 0.00 |
| Arhant Vikram Nopany | 45,368 | 0.01 | - | 45,368 | 0.01 | 0.00 |
| Chandra Shekhar Nopany (Shruti Family Trust) | 966 | 0.00 | - | 966 | 0.00 | 0.00 |
| Chandra Shekhar Nopany (Shekhar Family Trust) | 1,35,14,611 | 3.37 | - | 1,35,14,611 | 3.37 | 0.01 |
| Chandra Shekhar Nopany | 2,80,192 | 0.07 | - | 2,80,192 | 0.07 | 0.00 |
| Chandra Shekhar Nopany HUF | 2,31,760 | 0.06 | - | 2,31,760 | 0.06 | 0.00 |
| Deepshikha Trading Co. Private Limited | 55,697 | 0.01 | - | 55,697 | 0.01 | 0.00 |
| Duke Commerce Limited | 5,31,087 | 0.13 | - | 5,31,087 | 0.13 | 0.00 |
| Earthstone Holding (Two) Private Limited | 1,42,59,300 | 3.56 | - | 1,42,59,300 | 3.56 | 0.01 |
| Earthstone Investment & Finance Limited | 81,18,866 | 2.03 | - | 81,18,866 | 2.03 | 0.01 |
| Earthstone Holding (Three) LLP | 4,623 | 0.00 | - | 4,623 | 0.00 | (0.00) |

| Name | As at March 31, 2025 | | | As at March 31, 2024 | | |
|--|----------------------|-------------------|--------------------------|----------------------|-------------------|--------------------------|
| | No. of shares | % of total shares | % Change during the year | No. of shares | % of total shares | % Change during the year |
| Ganges Securities Limited | 22,51,795 | 0.56 | - | 22,51,795 | 0.56 | 0.02 |
| Hargaon Investment & Trading Co. Ltd. | 1,36,634 | 0.03 | - | 1,36,634 | 0.03 | 0.00 |
| La Monde Trading & Investments Private Ltd. | 14,479 | 0.00 | - | 14,479 | 0.00 | 0.00 |
| Manavta Holdings Ltd. | 23,35,579 | 0.58 | (0.15) | 29,35,579 | 0.73 | (0.01) |
| Manbhawani Investment Ltd. | 36,59,922 | 0.91 | (0.15) | 42,59,922 | 1.06 | (0.01) |
| Master Exchange & Finance Limited | 15,45,962 | 0.39 | - | 15,45,962 | 0.39 | 0.01 |
| New India Retailing and Investment Ltd. | 6,92,663 | 0.17 | - | 6,92,663 | 0.17 | 0.00 |
| Nilgiri Plantations Limited | 41,42,647 | 1.03 | - | 41,42,647 | 1.03 | 0.00 |
| Pavapuri Trading and Investment Company Ltd. | 96,527 | 0.02 | - | 96,527 | 0.02 | 0.00 |
| Premium Exchange and Finance Limited | 29,79,278 | 0.74 | - | 29,79,278 | 0.74 | 0.00 |
| Ronson Traders Limited | 69,01,612 | 1.72 | - | 69,01,612 | 1.72 | 0.00 |
| RTM Properties Ltd. | 1,20,658 | 0.03 | - | 1,20,658 | 0.03 | 0.00 |
| Saroj Kumar Poddar | 7,00,000 | 0.17 | - | 7,00,000 | 0.17 | 0.00 |
| Shital Commercial Limited | 1,33,513 | 0.03 | - | 1,33,513 | 0.03 | 0.00 |
| Shradha Agarwala | 3,14,579 | 0.08 | - | 3,14,579 | 0.08 | 0.00 |
| Shree Vihar Properties Ltd. | 6,75,683 | 0.17 | - | 6,75,683 | 0.17 | 0.00 |
| Shruti Vora | 3,95,757 | 0.10 | - | 3,95,757 | 0.10 | 0.00 |
| Sidh Enterprises Ltd. | 1,48,168 | 0.04 | - | 1,48,168 | 0.04 | 0.00 |
| SIL Properties Ltd. | 96,527 | 0.02 | - | 96,527 | 0.02 | 0.00 |
| Simon India Limited | 21,22,577 | 0.53 | - | 21,22,577 | 0.53 | 0.00 |
| Sonali Commercial Ltd. | 3,66,172 | 0.09 | - | 3,66,172 | 0.09 | 0.00 |
| Texmaco Infrastructure & Holdings Limited | 2,86,552 | 0.07 | - | 2,86,552 | 0.07 | 0.00 |
| Texmaco Rail & Engineering Ltd. | 9,653 | 0.00 | - | 9,653 | 0.00 | 0.00 |
| Uttam Commercial Ltd. | 65,63,964 | 1.64 | - | 65,63,964 | 1.64 | 0.01 |
| Yashovardhan Investment & Trading Co. Ltd. | 76,15,422 | 1.90 | - | 76,15,422 | 1.90 | 0.00 |
| Zuari International Limited | 3,88,381 | 0.10 | - | 3,88,381 | 0.10 | 0.00 |
| Sub Total (B) | 8,51,74,134 | 21.26 | - | 8,63,74,134 | 21.56 | - |
| Total (A) + (B) | 24,20,11,277 | 60.40 | - | 24,32,11,277 | 60.70 | - |

d) Details of Shareholders holding more than 5% shares in the Company

| Name | As at March 31, 2025 | | As at March 31, 2024 | |
|--|----------------------|--------------|----------------------|--------------|
| | No. of shares | % of holding | No. of shares | % of holding |
| The Hindustan Times Limited | 5,72,20,071 | 14.28 | 5,72,20,071 | 14.28 |
| Zuari Industries Limited (formerly Zuari Global Limited) | 5,69,64,966 | 14.22 | 5,69,64,966 | 14.22 |
| SIL Investments Limited | 3,26,19,484 | 8.14 | 3,26,19,484 | 8.14 |

As per the records of the Company, including its register of shareholders / members, the above shareholding represents both legal and beneficial ownership of shares.

e) For the period of 5 years immediately preceding March 31, 2025

Buyback of equity shares

The Board of Directors at its meeting held on January 08, 2024 had approved buyback by the Company up to 1,55,55,555 equity shares of Rs. 10/- each representing up to 3.74% of total paid-up equity capital of the Company as on March 31, 2023, at a maximum price of Rs. 450/- per equity share, for an aggregate consideration up to Rs. 700 Crore (excluding

taxes and expenses pertaining to Buy-back) in accordance with the applicable provisions of the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, and the Companies Act, 2013 & Rules made thereunder (the "Buy-back"). Accordingly, the Company bought back 1,55,55,555 equity shares at a price of Rs. 450 per share, aggregating to Rs. 700 Crore (excluding taxes and expenses pertaining to Buy-back), and these shares were extinguished. Consequent to the said Buyback, the equity share capital of the Company stands reduced by Rs.15.56 Crore to Rs. 400.65 Crore and an equivalent amount of Rs. 15.56 Crore was transferred from retained earnings to capital redemption reserve account as per the provisions of Section 69 of the Companies Act, 2013. During FY 2023-24 further, an amount of Rs. 849.27 Crore being the excess of amount paid over the par value of shares bought back including taxes and expenses pertaining to Buy-back, was debited to retained earnings / securities premium account.

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Note 10A : Other Equity * | | |
| Reserves and Surplus: | | |
| (a) Retained Earnings | 7,489.73 | 6,153.72 |
| (b) General Reserve | 734.26 | 734.26 |
| (c) Capital Reserve | 0.21 | 0.21 |
| (d) Capital Redemption Reserve | 15.81 | 15.81 |
| (e) Tonnage Tax Reserve under Section 115VT of the Income Tax Act, 1961 | 0.50 | 0.50 |
| (f) Tonnage Tax Reserve (utilised) Account under Section 115VT of the Income Tax Act, 1961 | 42.25 | 42.25 |
| Total | 8,282.76 | 6,946.75 |
| Other Comprehensive Income: | | |
| (g) Cash Flow Hedging Reserve | (148.95) | (224.04) |
| Total | (148.95) | (224.04) |
| Other Equity | 8,133.81 | 6,722.71 |

* For movement during the year, refer Standalone Statement of Changes in Equity.

Description of Nature and Purpose of each Reserve

(a) Retained Earnings

Retained Earnings comprises of prior years as well as current year's undistributed earnings after taxes. During the previous year, part of the retained earnings was used towards Buy-back of equity shares (refer note 10e).

(b) General Reserve

General Reserve is a free reserve. It represents appropriation of profit by the Company. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

(c) Capital Reserve

Capital Reserve represents the amount on account of forfeiture of equity shares of the Company. Utilisation of reserve will be as per the provisions of the relevant statute.

(d) Capital Redemption Reserve

Capital Redemption Reserve represents reserve created on redemption of preference shares and reserve created when Company purchases its own shares out of free reserves or securities premium. During the previous year a sum equal to the nominal value of the equity shares bought back was transferred to Capital Redemption Reserve. Utilisation of reserve will be as per the provisions of the relevant statute.

(e) & (f) Tonnage Tax Reserve and Tonnage Tax Reserve (utilised) Account under Section 115VT of the Income Tax Act, 1961

These reserves were created till the time erstwhile 'Shipping Division' was under Tonnage Tax Regime.

(g) Cash Flow Hedging Reserve

The Company uses hedging instrument as part of its management of foreign currency risk associated with its highly probable forecast sale. Foreign currency risk associated with highly forecasted sale transaction is being hedged by taking foreign currency loans.

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Non-Current Financial Liabilities | | |
| Note 11A: Non Current Borrowings | | |
| Secured Loans: | | |
| Term Loans: | | |
| - External Commercial Borrowings from Banks | - | 1,141.55 |
| - Foreign Currency Loans from Financial Institution | - | 631.66 |
| | - | 1,773.21 |
| Less : Current Maturities of Long Term Borrowings shown under "Current Borrowings" (refer note 14A) | - | 709.33 |
| Non-Current Borrowings (as per Balance Sheet) | - | 1,063.88 |
| (a) Details of Borrowings and Transaction Costs | | |
| (i) External Commercial Borrowings | | |
| External Commercial Borrowings (refer (b) i below) | - | 1,146.52 |
| Less: Transaction Costs | - | 4.97 |
| Carrying Value of External Commercial Borrowings | - | 1,141.55 |
| (ii) Foreign Currency Loans from Financial Institution | | |
| Foreign Currency Loans from Financial Institution (refer (b) ii below) | - | 635.38 |
| Less: Transaction Costs | - | 3.72 |
| Carrying Value of Foreign Currency Loans from Financial Institution | - | 631.66 |

(b) Nature of Security, Terms and Repayment Schedule:

- i On June 28, 2024, the Company has made the pre-payment of outstanding External Commercial Borrowings ("ECB") from banks of USD 13.75 Crore (Rs. 1,146.52 Crore) which carried interest in the range of 3 months LIBOR / Overnight SOFR plus 1.35% - 1.81% per annum.
- ii On June 28, 2024, the Company has made the pre-payment of outstanding Foreign currency term loans ("FCTL") from a financial institution of USD 7.62 Crore (Rs. 635.38 Crore) which carried interest in the range of 3 months LIBOR / Overnight SOFR plus 1.55% - 1.81% per annum.

Aforementioned ECB's /FCTL's loans were secured by first pari-passu charge by way of mortgage, by deposit of title deeds in respect of immovable properties of the Company and hypothecation of the movable fixed assets (Property, Plant and Equipment) of the Company, both present and future subject to prior charges created in favour of banks on current assets and other movables for securing working capital borrowings.

Pursuant to the provisions contained in Chapter VI of the Companies Act 2013 ('Act'), the charge has been satisfied in full on July 23, 2024 in accordance with provisions of the Act.

Note 11B: Other Financial Liabilities**Accounting Policy**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions.

Government grants relating to the purchase / acquisition of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--------------------------|-------------------------|-------------------------|
| Duty Deferral Liability* | 2.39 | - |
| | 2.39 | - |

* The Impact of Duty deferment under Manufacturing and Other Operations in Warehouse Regulations, 2019 scheme is treated as Government Grant in accordance with Ind AS 20 "Accounting for Government Grants and Disclosure of Government Assistance". During the current financial year, an amount of Rs. 11.74 Crore has been adjusted with Capital Work-in Progress, towards unwinding of Duty Deferral Liability.

Note 12 : Long Term Provisions

Provision for Employee Benefits

Accounting Policy

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of 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. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

| (Rs. in Crore) | | |
|---|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Long Term Provisions consist of the following: | | |
| - Gratuity (refer note 30) | - | 17.23 |
| - Post Retirement Medical Benefits (refer note 30) | 8.40 | 7.50 |
| | 8.40 | 24.73 |
| Note 13 : Other Non Current Liabilities | | |
| Other Employee Benefits Obligations | 4.22 | 4.17 |
| | 4.22 | 4.17 |
| Current Financial Liabilities | | |
| Note 14A : Current Borrowings | | |
| Secured Loans: | | |
| From Banks: | | |
| Current Maturity of Long Term Borrowings (refer note 11A) | - | 709.33 |
| | - | 709.33 |

| (Rs. in Crore) | | |
|---|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Note 14B : Trade Payables | | |
| Trade Payables | | |
| a) total outstanding dues to Micro and Small Enterprises (refer note 33) | 31.11 | 31.60 |
| b) total outstanding dues of creditors other than micro enterprises and small enterprises | 598.94 | 761.87 |
| | 630.05 | 793.47 |

Trade Payables Ageing Schedule

As at March 31, 2025

(Rs. in Crore)

| Particulars | Unbilled | Not Due | Outstanding for following periods from due date of payment | | | | Total |
|---|--------------|---------------|---|-------------|-------------|----------------------|---------------|
| | | | Less than 1 year | 1-2 Years | 2-3 Years | More than 3 Years | |
| Undisputed Trade Payables | | | | | | | |
| Micro Enterprises and Small Enterprises | 0.56 | 30.55 | - | - | - | - | 31.11 |
| Others | 62.72 | 534.37 | 1.70 | 0.14 | 0.01 | - | 598.94 |
| Disputed Trade Payables | | | | | | | |
| Micro Enterprises and Small Enterprises | - | - | - | - | - | - | - |
| Others | - | - | - | - | - | - | - |
| Total | 63.28 | 564.92 | 1.70 | 0.14 | 0.01 | - | 630.05 |

As at March 31, 2024

(Rs. in Crore)

| Particulars | Unbilled | Not Due | Outstanding for following periods from due date of payment | | | | Total |
|---|--------------|---------------|---|-------------|-----------|----------------------|---------------|
| | | | Less than 1 year | 1-2 Years | 2-3 Years | More than 3 Years | |
| Undisputed Trade Payables | | | | | | | |
| Micro Enterprises and Small Enterprises | 0.06 | 31.54 | - | - | - | - | 31.60 |
| Others | 89.56 | 668.83 | 3.46 | 0.02 | - | - | 761.87 |
| Disputed Trade Payables | | | | | | | |
| Micro Enterprises and Small Enterprises | - | - | - | - | - | - | - |
| Others | - | - | - | - | - | - | - |
| Total | 89.62 | 700.37 | 3.46 | 0.02 | - | - | 793.47 |

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Note 14C : Other Financial Liabilities | | |
| Interest Accrued but not due on Borrowings | - | 1.39 |
| Earnest Money / Security Deposits | 266.91 | 254.12 |
| Accrued Employee Liabilities (including payable to Key Management Personnel) (refer note 29) | 41.59 | 37.51 |
| Unclaimed Statutory Liabilities (as referred in Section 124(1) of the Companies Act, 2013): | | |
| - Unpaid Dividend | 24.21 | 19.25 |
| Payable towards unspent CSR Expenditure | 0.06 | - |
| Payable for Capital Goods {includes Rs. 6.45 Crore (Previous Year: Rs. 14.19 Crore) dues to Micro and Small Enterprises (refer note 33)} | 71.71 | 68.52 |
| Derivative - Foreign Exchange Forward Contracts | 8.68 | 0.43 |
| Payables towards De-escalation of Subsidy Claim (net) | - | 25.05 |
| | 413.16 | 406.27 |

Terms and conditions of the above Financial Liabilities:

- Trade and Other Financial Liabilities (other than Security Deposits) are non-interest bearing. For maturity profile of Trade Payables and Other Financial Liabilities, refer note 39.

Note 15 : Other Current Liabilities

Accounting Policy

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 in respect of advance from customers is disclosed under "other current liabilities". Contract liabilities are recognised as revenue when the Company performs under the contract.

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| Other Current Liabilities: | | |
| Advance from Customers* | 63.55 | 61.72 |
| Other Employee Benefits Obligations | 0.74 | 0.75 |
| Statutory Obligations Payable | 19.85 | 17.08 |
| Other Liabilities : | | |
| - Dues to Related Parties (refer note 29) | 1.10 | 0.54 |
| - Others | 0.12 | 0.11 |
| | 85.36 | 80.20 |

* These represent contract liabilities arising from contracts with customers. The amount of Rs. 60.09 Crore out of advance from customers of Rs. 61.72 Crore (Previous Year: Rs. 37.59 Crore out of advance from customers of Rs. 39.75 Crore) pertaining to balance at the beginning of the year have been recognised as revenue during the year. The remaining balances have been refunded / adjusted.

Note 16 : Current Provisions

For Accounting policy refer note 12

| Particulars | (Rs. in Crore) | |
|--|-------------------------|-------------------------|
| | As at March 31, 2025 | As at March 31, 2024 |
| Provision for Employees Benefits: | | |
| - Gratuity (refer note 30) | 3.07 | 6.74 |
| - Leave Encashment / Liabilities* | 36.82 | 34.95 |
| - Post Retirement Medical Benefits (refer note 30) | 0.41 | 0.23 |
| | 40.30 | 41.92 |

* Leave obligations not expected to be settled within the next 12 months: Rs. 23.44 Crore as at March 31, 2025 and Rs. 21.45 Crore as at March 31, 2024. (Refer Note 30(v)).

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025
Note 17 : Revenue from Operations
Accounting Policy
Revenue recognition

Revenue from contracts with customers is recognised when 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 has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Sale of Goods

Revenue, including subsidy, in respect of sale of goods is recognised at a point in time when control of the goods is transferred, i.e. the goods are delivered to the buyer, the buyer has full discretion over the goods and there is no unfulfilled obligation that could affect the buyer's acceptance of the goods. Revenue (other than subsidy) from the sales is recognised based on price specified in the contract, net of estimated volume discount. Amounts disclosed as revenue are net of returns and allowances, trade discounts, rebates and goods & services 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 does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

Subsidy on Urea including freight have been accounted on the basis of notified concession prices as under:

- (i) New Pricing Scheme (NPS) – Stage III and Modified NPS III.
- (ii) New Urea Policy 2015.
- (iii) New Investment Policy 2012 (amended); and
- (iv) Uniform Freight Policy.

The concession price and freight are accounted based on notified prices, further adjusted for input price escalation/ de-escalation and as estimated by the management based on the prescribed norms in line with known policy parameters.

Subsidy on Phosphatic and Potassic (P&K) fertilisers has been accounted for as per the concession rates based on Nutrient Based Policy and Freight Subsidy has been accounted for in line with the policy, notified by the Government of India.

| Particulars | (Rs. in Crore) | |
|---|------------------------------|------------------------------|
| | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
| Revenue from Operations consist of the following: | | |
| Sale of Products | | |
| Sale of Own Manufactured Products {including Rs. 10,891.36 Crore (Previous Year: Rs. 10,536.18 Crore) Subsidy on Fertilisers} | 13,158.68 | 12,722.65 |
| Sale of Traded Products {including Rs. 1,063.83 Crore (Previous Year: Rs. 2,235.26 Crore) Subsidy on Fertilisers} | 3,487.44 | 5,224.98 |
| Other Operating Revenues | | |
| Others (spillage) | 0.08 | 18.78 |
| Revenue from Operations | 16,646.20 | 17,966.41 |

Note 18 : Other Income

Accounting Policy

(i) Interest Income

Interest income is calculated by applying the effective interest rate to gross carrying amount of a financial asset except for financial asset that subsequently become credit impaired. In case of credit impaired financial asset, the effective interest rate is applied to the net carrying amount of the financial assets (after deduction of the loss allowance).

(ii) Dividend Income

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(iii) Insurance Claims

Claims receivable on account of insurance are accounted for to the extent the Company is reasonably certain of their ultimate collection.

| (Rs. in Crore) | | |
|--|------------------------------|------------------------------|
| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
| Other Income consist of the following: | | |
| (A) Other Income | | |
| Interest on: | | |
| - Employees Loans | 0.00 | 0.00 |
| - Deposits | 2.16 | 15.59 |
| - Payment from Customers | 0.16 | 0.02 |
| - Income Tax Refunds | 16.51 | 9.52 |
| - Others (including deposits with Government Authorities) | 1.54 | 0.49 |
| Dividend Income | | |
| - On Investment in Joint Venture (refer note 29) | 138.90 | 136.18 |
| - On Other Non-Current Investment | 0.00 | 0.00 |
| Rent Income | 0.13 | 0.14 |
| Insurance Claims | 42.35 | 54.66 |
| Recoveries from Contractor | 0.84 | 0.97 |
| Liabilities no Longer Required Written Back | 0.05 | 0.01 |
| Allowance for Doubtful Debts and Advances (Net) | 3.49 | - |
| Sale of Scrap | 2.20 | 3.59 |
| Miscellaneous Income | 2.74 | 2.58 |
| (B) Other Gains : | | |
| - Fair Value (Loss) / Gain on Derivatives not Designated as Hedge* | (7.67) | 0.86 |
| - Gain on Sale of Current Investments | 116.85 | 89.32 |
| - Fair Value Gain on Financial Assets measured at Fair Value through Profit or Loss | 28.24 | 68.21 |
| - Reversal of Fair Value Loss on Financial Assets measured at Fair Value through Profit or Loss, recognised in earlier years | 4.83 | 2.12 |
| | 353.32 | 384.26 |

* Refer Note 27

| (Rs. in Crore) | | |
|---|------------------------------|------------------------------|
| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
| Note 19 : Cost of Materials Consumed | | |
| Opening Inventories | 1.66 | 1.64 |
| Add: Purchases | 6,434.47 | 6,581.97 |
| Less: Closing Inventories | 1.48 | 1.66 |
| | 6,434.65 | 6,581.95 |

| (Rs. in Crore) | | |
|--|------------------------------|------------------------------|
| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
| Note 20 : Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress | | |
| Closing Inventories | | |
| - Work-in-Progress | 12.57 | 14.98 |
| - Finished Goods | 477.76 | 519.42 |
| - Traded Goods | 1,125.68 | 536.78 |
| | 1,616.01 | 1,071.18 |
| Opening Inventories | | |
| - Work-in-Progress | 14.98 | 18.22 |
| - Finished Goods | 519.42 | 152.39 |
| - Traded Goods | 536.78 | 1,045.98 |
| | 1,071.18 | 1,216.59 |
| | | |
| (Increase) / Decrease in Inventories | (544.83) | 145.41 |
| | | |
| Note 21 : Employee Benefits Expense | | |
| Salaries, Wages and Bonus * | 210.33 | 200.73 |
| Contribution to Provident and Other Funds | 11.04 | 10.02 |
| Gratuity Expense (refer note 30) | 4.82 | 4.32 |
| Post Retirement Medical Benefits (refer note 30) | 0.99 | 0.81 |
| Workmen and Staff Welfare Expenses | 6.06 | 4.89 |
| | 233.24 | 220.77 |

* Refer Note 27

Note 22 : Finance Costs

Accounting Policy

General and specific borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

Borrowing costs include interest and amortisation of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

| (Rs. in Crore) | | |
|--|------------------------------|------------------------------|
| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
| Finance Costs consist of the following: | | |
| Interest on | | |
| - Borrowings* | 32.09 | 159.95 |
| - Income Tax | 0.02 | - |
| - Lease Liabilities** | 0.88 | 0.88 |
| Bank Charges | 14.73 | 12.20 |
| Mark to Market (Gain) on Derivative Transactions | - | (8.44) |
| Loss on Foreign Exchange Variation (Net) related to financing arrangements | 0.70 | 8.47 |
| | 48.42 | 173.06 |

* Refer Note 27

**Refer Note 32

(Rs. in Crore)

| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
|---|------------------------------|------------------------------|
| Note 23 : Other Expenses | | |
| Consumption of Stores and Spares | 41.08 | 40.06 |
| Consumption of Packing Materials | 135.80 | 129.19 |
| Bagging and Other Services | 25.70 | 23.85 |
| Power and Fuel | 3,504.44 | 3,650.12 |
| Catalyst Charges Written off | 10.87 | 9.48 |
| Rent (refer note 32) | 6.91 | 8.76 |
| Rates and Taxes | 1.14 | 0.45 |
| Insurance | 31.83 | 35.89 |
| Repairs and Maintenance: | | |
| - Plant and Equipment | 45.00 | 39.94 |
| - Buildings | 6.99 | 6.45 |
| - Others | 22.65 | 19.84 |
| Director's Sitting Fees | 0.24 | 0.36 |
| Travelling and Conveyance * | 12.45 | 12.04 |
| Communication Costs | 1.02 | 1.03 |
| Printing and Stationery | 0.59 | 0.52 |
| Legal and Professional Fees * | 6.17 | 6.94 |
| Payments to the Auditor: # | | |
| As auditor: | | |
| - Audit Fee | 0.59 | 0.53 |
| - Tax Audit Fee | 0.07 | 0.07 |
| - Limited Review Fee | 0.30 | 0.30 |
| - Certification and Other Services | 0.24 | 0.22 |
| - Reimbursement of Expenses | 0.07 | 0.07 |
| Freight and Forwarding Charges | 658.86 | 696.13 |
| Other Selling Expenses | 13.79 | 16.73 |
| Corporate Social Responsibility Expenditure (refer note 34) | 34.09 | 35.25 |
| Contribution to Prudent Electoral Trust | - | 25.00 |
| Depletion of Loose Tools | 0.18 | 0.18 |
| Green Belt Development / Horticulture Expenses | 3.40 | 3.33 |
| Fair Value Loss on Financial Assets measured at Fair Value through Profit or Loss | 4.00 | - |
| Allowance for Doubtful Debts and Advances (Net) | - | 2.43 |
| Loss on Foreign Exchange Variation (Net) * | 0.01 | 5.67 |
| Loss on Disposal / Write off of Property, Plant and Equipment (Net) and Right -of -Use Assets | 17.60 | 3.72 |
| Inventories Written off | 0.00 | 0.01 |
| Irrecoverable Balances written off | 0.02 | 0.15 |
| Less: Allowance for Doubtful Debts and Advances adjusted out of above | - | 0.14 |
| Miscellaneous Expenses * | 26.49 | 24.63 |
| | 4,612.59 | 4,799.20 |

Previous year number does not include Rs. 0.08 Crore paid towards certification services for Buy-back of equity shares which has been charged to Retained Earnings.

* Refer Note 27

Note 24 : Earnings Per Share (EPS)
Accounting Policy

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders of the Company by the weighted average number of the equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit or loss for the year attributable to equity shareholders of the Company and the weighted average number of equity shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

| (Rs. in Crore) | | |
|--|------------------------------|------------------------------|
| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
| EPS is calculated as follows: | | |
| Profit as per Standalone Statement of Profit and Loss | 1,656.79 | 1,331.44 |
| Calculation of Weighted Average Number of Equity Shares | | |
| - Number of Equity Shares at the beginning of the Year | 40,06,52,297 | 41,62,07,852 |
| - Total Equity Shares Outstanding at the end of the Year | 40,06,52,297 | 40,06,52,297 |
| - Weighted Average Number of Equity Shares Outstanding during the Year | 40,06,52,297 | 41,36,57,761 |
| Basic and Diluted Earnings Per Share (in Rs.)* | 41.35 | 32.19 |
| Nominal Value of Equity Shares (in Rs.) | 10.00 | 10.00 |
| *There are no dilutive potential equity shares. | | |

25 Contingent Liabilities and Contingent Assets:
(i) Contingent Liabilities (not provided for) :
Accounting Policy

A contingent liability is a possible obligation that arises from past events and 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.

| (Rs. in Crore) | | | |
|----------------|--|--------------------------|--------------------------|
| S. No. | Particulars | As at March 31, 2025 | As at March 31, 2024 |
| (a) | Demand raised / Estimated liability on account of Service Tax, Goods and Services Tax, Sales Tax and Income Tax (IT) authorities being under dispute * | 176.99 | 167.40 |
| (b) | Penalty levied by FERA Board under appeal before the Calcutta High Court | 0.01 | 0.01 |
| (c) | Various labour cases | Amount not ascertainable | Amount not ascertainable |
| (d) | Other claims against the Company not acknowledged as debts | 0.08 | 0.08 |

* Brief description of liabilities under (a) above are as follows :

| (Rs. in Crore) | | | |
|----------------|--|-------------------------|-------------------------|
| S. No. | Particulars | As at March 31, 2025 | As at March 31, 2024 |
| 1 | Income Tax: | | |
| | (i) Estimated liability on account of various disallowances for assessment year 2011-12 | - | 0.03 |
| | (ii) Estimated liability on account of various disallowances for assessment year 2017-18 | 10.36 | 10.36 |
| | (iii) Estimated liability for assessment year 2018-19 to 2024-25 | 147.34 | 142.43 |
| | (iv) Other matters | 4.98 | - |
| 2 | Service Tax: | | |
| | Demand (including penalty) plus interest at the appropriate rate raised in respect of service tax not paid on payments made in foreign currency to foreign parties, treating all such payments as taxable, which is being contested by the erstwhile Shipping Division of the Company. | - | 0.27 |
| 3 | Goods and Services Tax: | | |
| | Penalty in respect of refund availment of Inverted duty structure | 14.31 | 14.31 |
| | Total | 176.99 | 167.40 |

- (e) The Company had received a demand of Rs. 3.52 Crore plus penalty (Previous Year: Rs. 3.52 Crore) from Sales Tax Department, Kota in an earlier year towards use of natural gas for ammonia fuel, power and steam generation for the period April, 1996 to May, 2001. The Company has obtained a stay from Hon'ble High Court of Rajasthan, Jodhpur on 13th July, 2001 for the period from 1996-97 to 1997-98 and on 17th August, 2001 for the period from 1998-99 to 2001-02 – Upto May 2001. However, in the event of the Company have to pay the above, it is reimbursable by Fertiliser Industry Coordination Committee (FICC) / Government of India under Subsidy Scheme.

Based on favorable decisions in similar cases, legal opinion taken by the Company, discussions with the solicitors, etc., the Company believes that there is fair chance of decisions in its favour in respect of all the items listed above and hence no provision is considered necessary against the same.

In respect of above contingent liabilities, it is not practicable for the Company to estimate the timing of cash outflows, if any, pending resolution of the respective proceedings.

(ii) Contingent Assets (not recognised for) :

Accounting Policy

A contingent asset is a possible asset that arises 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.

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---------------------------|-------------------------|-------------------------|
| Un-utilised Cenvat Credit | 3.03 | 3.03 |

The erstwhile Shipping Division of the Company had claimed cenvat credit in the service tax returns in the earlier years. However, such service tax credit receivable has not been recognised in the financial statements due to uncertainty in utilisation of the same.

26 Capital Commitments

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Estimated amount of contracts remaining to be executed on capital account {net of advances of Rs. 122.84 Crore (Previous Year : Rs. 158.76 Crore)} | 1,164.44 | 1,144.82 |

27 Capitalisation of Expenditure

The Company has capitalised the following expenses of revenue nature to the cost of Capital Work in progress. Consequently expenses disclosed under the respective notes are net of amounts capitalised by the Company. The break up of expenditure is as follows :

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Opening Balance | 19.37 | 5.02 |
| Add : Expenditure during the year | | |
| Salaries,Wages and Bonus | 4.45 | 2.93 |
| Travelling and Conveyance | 0.36 | 0.47 |
| Legal and Professional Fees | 0.99 | 0.54 |
| Miscellaneous Expenses | 0.08 | 1.75 |
| Interest ** | 13.31 | 13.75 |
| Fair Value (Loss) / Gain on Derivatives not Designated as Hedge* | 0.59 | 0.29 |
| Loss / (Gain) on Foreign Exchange Variation (Net) | 1.50 | (0.02) |
| Total Expenditure | 40.65 | 24.73 |
| Less: Allocated to Property, Plant and Equipment | (0.00) | (5.36) |
| Capitalisation of Expenditure (pending for Allocation) * | 40.65 | 19.37 |

* Includes Rs. 40.35 Crore (Previous Year: Rs. 19.21 Crore) related to upcoming Technical Ammonium Nitrate Plant.

** Interest comprises of Rs. 13.31 Crore (Previous Year : Rs. 13.75 Crore) on general borrowings for Technical Ammonium Nitrate Plant and other qualifying assets using the weighted average interest rate applicable during the year which is 5.52% per annum (Previous Year: 6.92% per annum).

28. Segment Information

Operating Segment

Accounting Policy

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Chief operating decision maker considers the business activities in terms of nature of products i.e., manufacturing / marketing of fertilisers & other agri-inputs. The analysis of geographical segments is based on the location of customers.

The Managing Director and Chief Financial Officer of the Company have been identified as the chief operating decision maker (CODM) as defined by Ind AS 108, 'Operating Segments'. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators.

The Company is in the business of manufacturing / marketing of Fertilisers and other Agri-inputs. As defined by Ind AS-108, 'Operating Segments', the Chief Operating Decision Maker (CODM) of the Company had identified and determined the business into reportable segments namely (a) Own Manufactured Fertilisers, (b) Complex Fertilisers, (c) Crop Protection Chemicals and Speciality Nutrients.

Accordingly, the segment information is provided under the reportable segments (a) Own manufactured Fertilisers, (b) Complex Fertilisers, (c) Crop Protection Chemicals and Speciality Nutrients; and (d) Others including upcoming Technical Ammonium Nitrate Plant. In accordance with Ind AS-108 on Operating Segments, a description of the types of products and services provided by each reportable segment is as follows:

Own Manufactured Fertilisers segment includes manufacture and marketing of Urea.

Complex Fertilisers segment includes purchase and sale of DAP, MOP and various grade of NPK fertilisers.

Crop Protection Chemicals and Speciality Nutrients segment includes purchase and sale of Crop Protection Chemicals and Speciality Nutrients

Others segment includes upcoming Technical Ammonium Nitrate Plant and others.

(Rs. in Crore)

| Particulars | Own Manufactured Fertilisers | | Complex Fertilisers | | Crop Protection Chemicals and Speciality Nutrients | | Others | | Total Segment | | |
|--|--|-----------|---------------------|----------|--|---------|---------|---------|---------------|-----------|-----------|
| Revenue | Financial Year | | | | | | | | | | |
| | 2024-25 | 2023-24 | 2024-25 | 2023-24 | 2024-25 | 2023-24 | 2024-25 | 2023-24 | 2024-25 | 2023-24 | |
| | | | | | | | | | | | |
| | External Revenue (including other operating revenue) | 13,158.68 | 12,722.65 | 2,561.41 | 4,483.30 | 926.11 | 760.46 | - | - | 16,646.20 | 17,966.41 |
| | Inter Segment Revenue | - | - | - | - | - | - | - | - | - | - |
| Total revenue | 13,158.68 | 12,722.65 | 2,561.41 | 4,483.30 | 926.11 | 760.46 | - | - | 16,646.20 | 17,966.41 | |
| Segment Results | 1,836.00 | 1,500.31 | 173.71 | 159.79 | 213.63 | 152.80 | - | - | 2,223.34 | 1,812.90 | |
| Total Assets | 7,257.78 | 7,374.37 | 1,601.29 | 962.12 | 170.47 | 166.81 | 703.98 | 274.88 | 9,733.52 | 8,778.18 | |
| Total Liabilities | 863.67 | 1,022.52 | 146.45 | 215.02 | 86.47 | 69.39 | 52.89 | 14.81 | 1,149.48 | 1,321.74 | |
| Other Disclosures | | | | | | | | | | | |
| Cost of Materials Consumed | 6,434.65 | 6,581.95 | - | - | - | - | - | - | 6,434.65 | 6,581.95 | |
| Purchases of Stock-in-Trade | - | - | 2,782.54 | 3,632.23 | 643.74 | 542.67 | - | - | 3,426.28 | 4,174.90 | |
| Power and Fuel | 3,504.44 | 3,650.12 | - | - | - | - | - | - | 3,504.44 | 3,650.12 | |
| Depreciation and Amortisation Expenses | 325.73 | 308.68 | - | - | - | - | - | - | 325.73 | 308.68 | |
| Capital Expenditure (including capital advances) | 146.53 | 379.28 | - | - | - | - | 429.12 | 271.32 | 575.65 | 650.60 | |

Reconciliations to amounts reflected in the financial statements

Reconciliation of Profit before tax

(Rs. in Crore)

| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
|---|------------------------------|------------------------------|
| Segment Results | 2,223.34 | 1,812.90 |
| Reconciliation items:- | | |
| Dividend income | 138.90 | 136.19 |
| Interest income | 20.37 | 25.63 |
| Fair value gain on financial assets measured at fair value through profit or loss / | | |
| Reversal of Fair Value Loss on Financial assets measured at Fair Value through Profit or Loss | 33.07 | 70.33 |
| Gain on sale of current investments | 116.85 | 89.32 |
| Other expenses net of other income | (20.67) | (14.61) |
| Depreciation and amortisation expense | (4.41) | (4.11) |
| Finance costs | (48.42) | (173.06) |
| Profit before tax | 2,459.03 | 1,942.59 |

Reconciliation of Assets

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| Segment Operating Assets | 9,733.52 | 8,778.18 |
| Property, plant and equipment and Right-of-Use Assets | 11.88 | 14.72 |
| Non-current investments | 302.93 | 302.93 |
| Non Current Tax Assets (Net) | 39.67 | 138.64 |
| Current investments | 828.24 | 1,932.19 |
| Bank balances on unpaid dividend accounts | 24.21 | 19.25 |
| Balance with banks and Cash on Hand | 99.02 | 35.79 |
| Deposits with banks | 100.00 | 65.03 |
| Security Deposits | 2.28 | 2.27 |
| Prepaid Expenses | 4.08 | 4.01 |
| Interest receivable on loans, deposits and others | 0.08 | 0.02 |
| Rebates and Other Receivables | 0.05 | 0.05 |
| Interest Receivable | 0.33 | 0.33 |
| Receivable from Joint venture | 0.22 | 0.08 |
| Total Assets | 11,146.51 | 11,293.49 |

Reconciliation of Liabilities

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| Segment Operating Liabilities | 1,149.48 | 1,321.74 |
| Long-term borrowings | - | 1,063.88 |
| Deferred tax liabilities (net) | 1,411.77 | 1,025.78 |
| Current maturities of long term borrowings | - | 709.33 |
| Lease Liability | 8.28 | 11.71 |
| Interest accrued but not due on borrowings | - | 1.39 |
| Trade Payables | 1.46 | 3.23 |
| Provision for employee benefits | - | 0.29 |
| Accrued employee liabilities | 0.04 | 0.04 |
| Unclaimed statutory liabilities | 24.21 | 19.25 |
| Statutory Obligation Payable | 15.71 | 12.95 |
| Other liabilities - Dues to Related Parties | 1.10 | 0.54 |
| Total Liabilities | 2,612.05 | 4,170.13 |

Information about geographical areas

The Company's revenue from operations i.e. Own Manufactured Fertilisers, Complex Fertilisers and Crop Protection Chemicals and Speciality Nutrients from external customers is Nil as all customers are located in India only. Hence, no additional disclosure about geographical information has been given.

Information about major customers

Revenue from single customer i.e. Government of India amounted to Rs. 11,955.19 Crore (Previous Year : Rs. 12,771.44 Crore) arising from sales in the Own Manufactured Fertilisers and Complex Fertilisers.

29 Related Party Transactions

Disclosures of the related party information as per Ind AS - 24 'Related Party Disclosures', are as follows-

I Related Party Name and Relationship
(A) Subsidiaries

CFCL Ventures Limited
Chambal Infrastructure Ventures Limited
ISGN Corporation #
ISG Novasoft Technologies Limited #
#Subsidiaries of CFCL Ventures Limited

(B) Joint Venture

Indo Maroc Phosphore, S.A. - IMACID

(C) Post Employment Benefit Plans

CFCL Employees' Provident Fund
Chambal Fertilisers and Chemicals Limited Senior Staff Superannuation Fund
CFCL Employees Group Gratuity Scheme
India Steamship Staff Provident Fund
India Steamship Staff Gratuity Insurance Scheme
ISG Novasoft Technologies Limited Employees Group Gratuity Trust

(D) Key Management Personnel

| S. No. | Name | Designation |
|--------|----------------------------|--|
| 1 | Mr. Saroj Kumar Poddar | Non-Executive Chairman |
| 2 | Mr. Shyam Sunder Bhartia | Non-Executive Director |
| 3 | Mr. Chandra Shekhar Nopany | Non-Executive Director |
| 4 | Mr. Abhay Baijal | Managing Director (Appointed as Managing Director with effect from July 21, 2023) |
| 5 | Mr. Gaurav Mathur | Managing Director (Ceased to be Managing Director with effect from July 21, 2023) |
| 6 | Mr. Vivek Mehra | Independent - Non-Executive Director |
| 7 | Mr. Pradeep Jyoti Banerjee | Independent - Non-Executive Director |
| 8 | Ms. Rita Menon | Independent - Non-Executive Director |
| 9 | Mr. Berjis Minoo Desai | Independent - Non-Executive Director |
| 10 | Mr. Anand Agarwal | Chief Financial Officer |
| 11 | Mr. Rajveer Singh | Company Secretary (Ceased to be Company Secretary with effect from May 06, 2023) |
| 12 | Mr. Anuj Jain | Company Secretary (Appointed as Company Secretary with effect from May 06, 2023 and Ceased to be Company Secretary with effect from November 04, 2023) |
| 13 | Mr. Tridib Barat | Company Secretary (Appointed as Company Secretary with effect from November 04, 2023) |

II Transaction with the Related Parties
(A) Joint Venture

(Rs. in Crore)

| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
|-------------------------------------|---------------------------|---------------------------|
| Dividend Income | | |
| Indo Maroc Phosphore, S.A. - IMACID | 138.90 | 136.18 |
| Total | 138.90 | 136.18 |
| Reimbursement of Expenses | | |
| Indo Maroc Phosphore, S.A. - IMACID | 0.40 | 0.29 |
| Total | 0.40 | 0.29 |

(B) Post Employment Benefit Plans

(Rs. in Crore)

| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
|---|---------------------------|---------------------------|
| Employer's Contribution Paid / Payable | | |
| - CFCL Employees Group Gratuity Scheme | 24.70 | - |
| - India Steamship Staff Provident Fund | 0.01 | 0.02 |
| Total | 24.71 | 0.02 |

(C) Key Management Personnel

(Rs. in Crore)

| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
|--|---------------------------|---------------------------|
| Compensation * | | |
| -Short Term Employee Benefits: | | |
| Mr. Gaurav Mathur | - | 3.81 |
| Mr. Abhay Baijal | 2.89 | 1.48 |
| Mr. Anand Agarwal | 2.35 | 2.39 |
| Mr. Rajveer Singh | - | 0.57 |
| Mr. Anuj Jain | - | 0.60 |
| Mr. Tridib Barat | 1.19 | 0.35 |
| -Post Employment Benefits: | | |
| Mr. Gaurav Mathur | - | 0.11 |
| Mr. Abhay Baijal | 0.13 | 0.08 |
| Mr. Anand Agarwal | 0.11 | 0.10 |
| Mr. Rajveer Singh | - | 0.30 |
| Mr. Anuj Jain | - | 0.03 |
| Mr. Tridib Barat | 0.08 | 0.03 |
| Commission to Non-Executive Directors | | |
| Mr. Saroj Kumar Poddar | 0.18 | 0.10 |
| Mr. Shyam Sunder Bhartia | 0.18 | - |
| Mr. Chandra Shekhar Nopany | 0.18 | 0.10 |
| Mr. Vivek Mehra | 0.18 | 0.10 |
| Mr. Pradeep Jyoti Banerjee | 0.18 | 0.10 |
| Ms. Rita Menon | 0.18 | 0.10 |
| Mr. Berjis Minoo Desai | 0.18 | 0.10 |
| Sitting Fees to Non-Executive Directors | | |
| Mr. Saroj Kumar Poddar | 0.02 | 0.04 |
| Mr. Chandra Shekhar Nopany | 0.03 | 0.05 |
| Mr. Vivek Mehra | 0.05 | 0.07 |
| Mr. Pradeep Jyoti Banerjee | 0.06 | 0.08 |
| Ms. Rita Menon | 0.05 | 0.06 |
| Mr. Berjis Minoo Desai | 0.03 | 0.06 |

* The liabilities for the gratuity, leave, post retirement medical benefits, long service award scheme and settlement allowance are provided on an actuarial basis and determined for the Company as a whole rather than for each of the individual employees. Accordingly, the said liabilities cannot be ascertained separately for Managing Director, Chief Financial Officer and Company Secretary, hence not included, except for the amount actually paid.

III Outstanding Balances from / to Related Parties**(A) Joint Venture**

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---------------------------------------|----------------------|----------------------|
| Other Current Financial Assets | | |
| Indo Maroc Phosphore, S.A. - IMACID | 0.22 | 0.08 |
| Total | 0.22 | 0.08 |

(B) Post Employment Benefit Plans

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--------------------------------------|----------------------|----------------------|
| Other Current Liabilities | | |
| India Steamship Staff Provident Fund | 0.00 | 0.00 |
| Total | 0.00 | 0.00 |

(C) Key Management Personnel

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|------------------------------------|----------------------|----------------------|
| Other Financial Liabilities | | |
| Mr. Abhay Baijal | - | 0.00 |
| Total | - | 0.00 |
| Other Current Liabilities | | |
| Mr. Saroj Kumar Poddar | 0.16 | 0.09 |
| Mr. Shyam Sunder Bhartia | 0.16 | - |
| Mr. Chandra Shekhar Nopany | 0.16 | 0.09 |
| Mr. Vivek Mehra | 0.16 | 0.09 |
| Mr. Pradeep Jyoti Banerjee | 0.16 | 0.09 |
| Ms. Rita Menon | 0.16 | 0.09 |
| Mr. Berjis Minoo Desai | 0.16 | 0.09 |

Note: Transactions relating to dividends were on the same terms and conditions that applied to other shareholders. Further, transactions with related parties are in the ordinary course of business and are on arm's length basis.

Note: Outstanding balances are unsecured and their settlement occurs in cash. Further, no loss allowances were made against such balances.

30 Gratuity and Other Employment Benefit Plans:
Accounting Policy

- (i) Provident fund of the Company except erstwhile shipping division of the Company is a defined contribution scheme with effect from September 01, 2021, as the Company had initiated the process of surrender of exemption granted to CFCL Employees Provident Fund Trust and transferred the accumulated provident fund balance of employees to the fund administered and managed by the Government of India. Thus, the Company makes monthly contributions at prescribed rates towards Provident Fund to a Fund administered and managed by the Government of India. The Company has no further obligations once the contributions have been made.

Further, during the current Financial Year, Provident fund of Erstwhile Shipping Division of the Company has initiated the process of surrender of exemption granted to India Steamship Staff Provident Fund and transferred the accumulated provident fund balance of employee to the fund administered and managed by the Government of India. Thus, Erstwhile Shipping Division of the Company is a defined contribution scheme with effect from October 01, 2024 and the division makes monthly contributions at prescribed rates towards Fund administered and managed by the Government of India. The Company's contribution paid / payable during the year to Pension Fund, Provident Fund and Superannuation Fund are recognised in the Statement of Profit and Loss.

Pension Fund of the Company is a defined contribution scheme. The Company has no further obligation. 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.

- (ii) Superannuation Fund is a defined contribution scheme. Liability in respect of Superannuation Fund to the concerned employees of the Company is accounted for as per the Company's Scheme and contributed to concerned insurers every year. The Company does not have any other obligation, other than the contribution payable to the superannuation fund. The Company recognizes contribution payable to the superannuation 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.
- (iii) Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Gratuity plan of the Company is funded with insurance companies to cover the gratuity liability of the employees. The difference between the actuarial valuation of the gratuity of employees at the year-end and the balance of funds with insurance companies is provided for as liability in the books.
- (iv) Retirement benefit in the form of post-retirement medical benefits is a defined benefit obligation of the Company and is provided for on the basis of actuarial valuation on projected unit credit method made at the end of each financial year.
- (v) Accumulated leaves, which are expected to be utilized within the next 12 months, are treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leaves expected

to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The Company presents the entire leaves as a current liability in the balance sheet since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

- (vi) Long service awards are other long-term benefits accruing to all eligible employees, as per Company's scheme. The cost of providing benefit under long service awards scheme is determined on the basis of actuarial valuation using the projected unit credit method at the reporting date. This is unfunded defined benefit scheme.
- (vii) Settlement allowance are other long-term benefits accruing to the eligible employees, as per Company's scheme. The cost of providing benefit under settlement allowance is determined on the basis of actuarial valuation using the projected unit credit method at the reporting date. This is unfunded defined benefit scheme.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefits expense in the Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and such re-measurement gain / (loss) are not reclassified to the Statement of Profit and Loss in the subsequent periods. They are included in retained earnings in the Statement of Changes in Equity.

Disclosure of Post Employment Benefit Plans:

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| Gratuity Plan - (Liability) | (3.07) | (23.97) |
| Provident Fund - Asset * | - | 2.79 |
| Post Retirement Medical Benefits Plan - (Liability) | (8.81) | (7.73) |

* Plan asset of Nil (Previous Year: Rs. 2.79 Crore) has not been recognised in the financial statements, as the surplus of the trust, is distributable among the beneficiaries of the provident fund trust.

a) Gratuity

The Company has a defined benefit gratuity plan. Benefit is being paid as under-

- A) In case of retirement or death of an employee while in service of the Company, the gratuity will be payable as under:
 - i) Completed continuous service of 5 years and above upto 20 years – gratuity equivalent to 15 days last drawn salary for each completed year of service.
 - ii) Completed continuous service of above 20 years – gratuity equivalent to 15 days last drawn salary for first 20 years and 20 days last drawn salary for each completed year of service after 20 years.
- B) In case of resignation or termination of an employee, where the employee has completed 5 years of continuous service with the Company, gratuity equivalent to 15 days last drawn salary for each completed year of service shall be payable. In case of erstwhile Shipping Division, the Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at the rate of 15 days last drawn salary for each completed year of service.

The Scheme is funded with insurance company in the form of a qualifying insurance policy except in the case of crew employees of the division. The fund has the form of a trust and it is governed by the Board of Trustees

The Board of Trustees of Gratuity Trust are responsible for the administration of the plan assets and for the definition of the investment strategy. The Board of Trustees reviews the level of funding and investment and such a review includes the asset-liability matching strategy and investment risk management policy. The Board of Trustees decides its contribution based on the results of its review. Generally, they aims to have a portfolio mix of equity instruments and debt instruments.

b) Post Retirement Medical Benefit Plan

The Company has post retirement medical benefit schemes in the nature of defined benefit plan which is unfunded.

c) Provident Fund

The Company had set up provident fund trusts, which were managed by the Trustees. Provident funds set up by employers, which requires interest shortfall to be met by the employer, has been treated as defined benefit plan till August 31, 2021. During the earlier year, the Company had initiated the process of surrender of exemption granted to CFCL Employees' Provident Fund and transferred the accumulated provident fund balance of employees to the Regional Provident Fund Commissioner ('RPFC'). In view of the above, the Company remits the monthly contribution of Provident Fund to RPFC with effect from September 01, 2021. Therefore, contribution to Provident Fund is treated as Defined Contribution Plan with effect from September 01, 2021 except contribution to Provident Fund of erstwhile shipping division of the Company.

Further, during the current Financial Year, Provident fund of Erstwhile Shipping Division of the Company has initiated the process of surrender of exemption granted to India Steamship Staff Provident Fund and transferred the accumulated provident fund balance of employee to the Regional Provident Fund Commissioner ('RPFC'). In view of the above, the Division remits the monthly contribution of Provident Fund to RPFC with effect from October 01, 2024. Therefore, contribution to Provident Fund is treated as Defined Contribution Plan with effect from October 01, 2024.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet for the respective plans:

Changes in the Defined Benefit Obligation and Fair Value of Plan Assets as at March 31, 2025:

| (Rs. in Crore) | | | | | | | | | | | | | |
|--|----------------------|--|----------------------|--------------------------------------|---------------|--|---|---|------------------------|--------------------------|-------------------------|---------------------------|----------------------|
| Particulars | As at April 01, 2024 | Service Cost | Net Interest Expense | Sub-total included in Profit or Loss | Benefits 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 | Experience Adjustments | Subtotal included in OCI | Settlement/ Transfer in | Contributions by Employer | As at March 31, 2025 |
| | | Cost charged to Statement of Profit and Loss | | | | Re-measurement Gains / (Losses) in OCI | | | | | | | |
| (A) Gratuity Plan : | | | | | | | | | | | | | |
| Defined Benefit Obligation | (49.00) | (3.12) | (3.51) | (6.63) | 3.73 | - | - | - | (0.48) | (0.48) | - | - | (52.38) |
| Fair Value of Plan Assets | 25.03 | - | 1.81 | 1.81 | (3.73) | 1.50 | - | - | - | 1.50 | - | 24.70 | 49.31 |
| Benefit (Liability) | (23.97) | | | (4.82) | - | | | | | 1.02 | - | 24.70 | (3.07) |
| (B) Post Retirement Medical Benefits Plan: | | | | | | | | | | | | | |
| Defined Benefit Obligation | (7.73) | (0.43) | (0.56) | (0.99) | 0.35 | - | - | - | (0.44) | (0.44) | - | - | (8.81) |
| Fair Value of Plan Assets | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Benefit (Liability) | (7.73) | | | (0.99) | 0.35 | | | | | (0.44) | | | (8.81) |

Changes in the Defined Benefit Obligation and Fair Value of Plan Assets as at March 31, 2024:

| (Rs. in Crore) | | | | | | | | | | | | | |
|--|----------------------|--------------|----------------------|--------------------------------------|---------------|--|---|---|------------------------|--------------------------|-------------------------|---------------------------|----------------------|
| Particulars | As at April 01, 2023 | Service Cost | Net Interest Expense | Sub-total included in Profit or Loss | Benefits 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 | Experience Adjustments | Subtotal included in OCI | Settlement/ Transfer In | Contributions by Employer | As at March 31, 2024 |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| (A) Gratuity Plan : | | | | | | | | | | | | | |
| Defined Benefit Obligation | (43.43) | (2.94) | (3.25) | (6.19) | 1.96 | - | - | - | (1.34) | (1.34) | - | - | (49.00) |
| Fair Value of Plan Assets | 24.97 | - | 1.87 | 1.87 | (1.96) | 0.15 | - | - | - | 0.15 | - | - | 25.03 |
| Benefit (Liability) | (18.46) | | | (4.32) | - | - | - | - | - | (1.19) | - | - | (23.97) |
| (B) Post Retirement Medical Benefits Plan: | | | | | | | | | | | | | |
| Defined Benefit Obligation | (5.33) | (0.41) | (0.40) | (0.81) | 0.33 | - | - | - | (1.92) | (1.92) | - | - | (7.73) |
| Fair Value of Plan Assets | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Benefit (Liability) | (5.33) | | | (0.81) | 0.33 | | | | | (1.92) | | | (7.73) |

The Company expects to contribute Rs. 3.47 Crore (Previous Year : Rs. 4.80 Crore) to gratuity trust in the next financial year.

Provident Fund:

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2025 and March 31, 2024:

(Rs. in Crore)

| Particulars | As at March 31, 2025 | | | As at March 31, 2024 | | |
|--|----------------------------|---------------------------|-------------------|----------------------------|---------------------------|-------------------|
| | Defined Benefit Obligation | Fair Value of Plan Assets | Net Benefit Asset | Defined Benefit Obligation | Fair Value of Plan Assets | Net Benefit Asset |
| Opening Balance | (2.13) | 4.92 | 2.79 | (2.05) | 4.44 | 2.39 |
| Service Cost | (0.01) | - | (0.01) | (0.02) | - | (0.02) |
| Net Interest Expense | (0.07) | 0.30 | 0.23 | (0.13) | 0.53 | 0.40 |
| Benefits Paid | - | - | - | 0.09 | (0.09) | - |
| Return on Plan Assets (excluding amounts included in Net Interest Expense) | - | - | - | - | - | - |
| Actuarial Changes arising from changes in Financial Assumptions | - | - | - | - | - | - |
| Experience Adjustments | - | - | - | - | - | - |
| Settlement / Transfer in * | 2.22 | (5.24) | (3.02) | - | - | - |
| Contributions by Plan Participant / Employees | (0.01) | 0.01 | - | (0.02) | 0.02 | - |
| Contributions by Employer | - | 0.01 | 0.01 | - | 0.02 | 0.02 |
| Closing Balance | - | - | - | (2.13) | 4.92 | 2.79 |

* The accumulated provident fund balance of erstwhile shipping division of the Company transferred to RPFC.

The principal assumptions used in determining gratuity, and post-employment medical benefit obligations for the Company's plans are shown below:

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|----------------------|----------------------|
| | % | % |
| Discount Rate: | | |
| Gratuity Plan | 6.96 | 7.23 |
| Post Retirement Medical Benefits | 6.96 | 7.23 |
| Future Salary Increase: | | |
| Gratuity Plan | 7.50 | 7.50 |
| Medical Cost Escalation Rate: | | |
| Post Retirement Medical Benefits cost increase | 3.00 | 3.00 |
| Life expectation for: | | |
| Post Retirement Medical Benefits | | |
| Male | 17.04 | 17.31 |
| Female | 20.48 | 21.67 |

A quantitative sensitivity analysis for significant assumptions as at March 31, 2025 is shown below:

Gratuity Plan:

| Particulars | Year Ended March 31, 2025 | | | |
|---|---------------------------|----------------|------------------------|----------------|
| | Discount Rate | | Future Salary Increase | |
| Sensitivity Level | 0.50% Increase | 0.50% Decrease | 0.50% Increase | 0.50% Decrease |
| Impact on Defined Benefit Obligation (Increase) / Decrease (Rs. in Crore) | 1.94 | (2.10) | (2.05) | 1.92 |

Post Retirement Medical Benefits Plan:

| Particulars | Year Ended March 31, 2025 | | | |
|---|---------------------------|----------------|------------------------------|----------------|
| | Discount Rate | | Medical Cost Escalation Rate | |
| Sensitivity Level | 0.50% Increase | 0.50% Decrease | 0.50% Increase | 0.50% Decrease |
| Impact on Defined Benefit Obligation (Increase) / Decrease (Rs. in Crore) | 0.64 | (0.68) | (0.69) | 0.65 |

A quantitative sensitivity analysis for significant assumptions as at March 31, 2024 is shown below:

Gratuity Plan:

| Particulars | Year Ended March 31, 2024 | | | |
|---|---------------------------|----------------|------------------------|----------------|
| Assumption | Discount Rate | | Future Salary Increase | |
| Sensitivity Level | 0.50% Increase | 0.50% Decrease | 0.50% Increase | 0.50% Decrease |
| Impact on Defined Benefit Obligation (Increase) / Decrease (Rs. in Crore) | 1.83 | (1.97) | (1.93) | 1.81 |

Post Retirement Medical Benefits Plan:

| Particulars | Year Ended March 31, 2024 | | | |
|---|---------------------------|----------------|------------------------------|----------------|
| Assumption | Discount Rate | | Medical Cost Escalation Rate | |
| Sensitivity Level | 0.50% Increase | 0.50% Decrease | 0.50% Increase | 0.50% Decrease |
| Impact on Defined Benefit Obligation (Increase) / Decrease (Rs. in Crore) | 0.58 | (0.61) | (0.61) | 0.58 |

Sensitivities due to mortality & withdrawals are not material and hence impact of change is not calculated.

Sensitivities as to rate of inflation, rate of increase of pension payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 14.71 years for Gratuity Plan and 14.71 years for Post Retirement Medical Benefits Plan (Previous Year : 14.70 years for Gratuity Plan and 14.64 years for Post Retirement Medical Benefits Plan).

Investment Pattern in Plan Assets:

| Particulars | Gratuity | |
|-------------------------------|------------------------|------------------------|
| | Financial Year 2024-25 | Financial Year 2023-24 |
| Investments with Insurers (%) | 100% | 100% |

Maturity Profile of Defined Benefit Obligation:

(Rs. in Crore)

| Particulars | Within the Next 12 Months | Between 2 and 5 Years | Between 5 and 10 Years | Beyond 10 Years |
|---------------------------------------|---------------------------|-----------------------|------------------------|-----------------|
| As at March 31, 2025 | | | | |
| Gratuity Fund | 5.51 | 16.77 | 16.23 | 13.02 |
| Provident Fund | - | - | - | - |
| Post Retirement Medical Benefits Plan | 0.41 | 2.02 | 2.55 | 3.83 |
| As at March 31, 2024 | | | | |
| Gratuity Fund | 4.87 | 16.25 | 14.06 | 13.82 |
| Provident Fund | - | - | - | - |
| Post Retirement Medical Benefits Plan | 0.31 | 1.76 | 2.32 | 3.34 |

Contribution to Defined Contribution Plans :

(Rs. in Crore)

| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
|-------------------------|---------------------------|---------------------------|
| Provident Fund | 6.34 | 6.01 |
| Pension Fund | 1.47 | 1.47 |
| National Pension System | 2.88 | 2.24 |

31 Subsidies

- (a) Nitrogenous Fertilisers are under the Concession Prices for urea under New Urea Policy 2015, New Pricing Scheme – Stage III, New Investment Policy 2012 (amended), Modified New Pricing Scheme - Stage - III and Uniform Freight Policy, which were further adjusted for input price escalation / de- escalation, as estimated on the basis of the prescribed norms in line with known policy parameters.

Contribution from sale of surplus ammonia has been accounted for in accordance with the known policy parameters.

Current year's subsidy income of Urea has been increased by Rs. 2.07 Crore (Previous Year: Rs. 31.00 Crore), pertaining to earlier years, but determined during the year.

- (b) Subsidy on Phosphatic and Potassic (P&K) fertilisers has been accounted for as per the concession rates based on Nutrient Based Subsidy Policy and Freight subsidy has been accounted for in line with the policy, notified by the Government of India.

32 Leases

Accounting Policy

Company as a lessee:

Leases are recognised as a Right-of-Use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable.
- Variable lease payments.
- Amount expected to be payable by the Company under residual value guarantees, if any.
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Right-of-Use assets are measured at cost comprising the following:

- The amount of initial measurement of lease liability.
- Any lease payment made at or before the commencement date less any lease incentive received.
- Any initial direct cost and restoration cost.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise Information technology / Computer equipment and small items of office furniture.

This note provides information for the leases where the Company is a lessee. The Company leases various offices and lease periods are generally fixed ranging from eleven months to nine years, but may have extension options.

Amounts recognised in the Standalone Statement of Profit and Loss relating to Leases

(Rs. in Crore)

| Particulars | For the Year Ended March 31, 2025 | For the Year Ended March 31, 2024 |
|---|--------------------------------------|--------------------------------------|
| Depreciation charge for Right-of-Use Assets | 4.91 | 5.04 |
| Interest Expense (included in Finance Costs) | 0.88 | 0.88 |
| Expense relating to short term leases (included in Other Expenses) | 6.91 | 8.76 |
| Expense relating to leases of low - value assets that are not shown above as short term leases (included in Other Expenses) | - | - |
| Expense relating to variable lease payments not included in Lease Liabilities | - | - |

Amount recognised in the Standalone Statement of Cash Flows

(Rs. in Crore)

| Particulars | For the Year Ended March 31, 2025 | For the Year Ended March 31, 2024 |
|-------------------------------|--------------------------------------|--------------------------------------|
| Total cash outflow for Leases | 5.64 | 5.68 |

Additions / Net Book Value pertaining to the Right-of-Use Assets are as follows:

Property, Plant and Equipment comprises owned and leased assets that do not meet the definition of investment property.

(Rs. in Crore)

| Particulars | Financial Year - 2024-25 | Financial Year - 2023-24 |
|---|--------------------------|--------------------------|
| Property, Plant and Equipment comprises: | | |
| Right-of-Use Assets - Additions during the year | 1.68 | 2.05 |
| Right-of-Use Assets - Net Book Value | 14.48 | 18.61 |

Maturity analysis of Lease Liabilities

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|----------------------|----------------------|
| Payable within one year | 5.53 | 5.74 |
| Payable after one year but not more than five years | 10.65 | 15.51 |
| Payable after more than five years | 1.83 | 3.56 |
| Total undiscounted Lease Liabilities | 18.01 | 24.81 |
| Non-Current | 12.48 | 19.07 |
| Current | 5.53 | 5.74 |
| Carrying Value | 16.40 | 20.38 |
| Non-Current | 11.46 | 15.42 |
| Current | 4.94 | 4.96 |

The Company has discounted lease payments using the applicable incremental borrowing rate of 7.07% per annum (Previous Year: 7.06% per annum) for measuring the Lease Liabilities.

33 Details of dues to Micro and Small Enterprises as per 'The Micro, Small and Medium Enterprise Development Act, 2006' (MSMED) :

(Rs. in Crore)

| Particulars | Financial Year 2024-25 | Financial Year 2023-24 |
|--|------------------------|------------------------|
| The principal amount due and remaining unpaid to any supplier as at the end of each accounting year {including payable for capital goods of Rs. 6.45 Crore (Previous Year : Rs. 14.19 Crore)}; | 37.56 | 45.79 |
| The interest due on unpaid principal amount remaining as at the end of each accounting year; | - | - |
| Principal amounts paid to suppliers registered under the MSMED beyond the appointed day during the year; | - | - |
| The amount of interest paid by the buyer in terms of Section 16 of the MSMED beyond the appointed day during each accounting year. | - | - |
| Interest paid, other than under Section 16 of MSMED to suppliers registered under the MSMED beyond the appointed day during the year; | - | - |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED; | - | - |
| The amount of interest accrued and remaining unpaid at the end of each accounting year; and | - | - |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductive expenditure under Section 23 of the MSMED. | - | - |

34 The disclosures in respect of Corporate Social Responsibility Expenditure ('CSR') are as follows:-

(Rs. in Crore)

| Particulars | | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
|-------------|--|---------------------------|---------------------------|
| (a) | Gross amount required to be spent by the Company during the year | 34.00 | 35.16 |
| (b) | Amount spent during the year on the following in cash : | | |
| | (i) Construction / acquisition of any asset* | 6.01 | - |
| | (ii) For purposes other than (i) above | 28.08 | 35.25 |
| | Total (b) | 34.09 | 35.25 |

Note: The Company has transferred the unspent CSR amount of Rs. 0.06 Crore (Previous Year: Nil) to CSR Account as per Section 135(6) of the Companies Act, 2013 on April 29, 2025.

*The amount spent for acquisition of asset includes the acquisition of land by a Registered Society under Income Tax Act, having charitable objects and CSR Registration Number under sub-rule (2).

(Rs. in Crore)

| Particulars | | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
|-------------|---|---------------------------|---------------------------|
| (i) | Amount required to be spent by the company during the year | 34.00 | 35.16 |
| (ii) | Amount of expenditure incurred | 34.09 | 35.25 |
| (iii) | Shortfall at the end of the year | - | - |
| (iv) | Total of previous years shortfall | - | - |
| (v) | Reason for shortfall | - | - |
| (vi) | Nature of CSR activities : - Education Initiatives including Technical Education - Rural Development Initiatives - Health Care and Sanitation Initiatives - Employability and Empowerment - Environmental Sustainability, Animal Welfare and Soil Health Initiatives - Disaster Management - Promotion of Sports | | |

35 Share Based Payments

Employees Stock Option Scheme

The shareholders of the Company had approved CFCL Employees Stock Option Scheme, 2010 on August 27, 2010 which was amended by the shareholders on September 13, 2013 and the revised CFCL Employees Stock Option Scheme, 2010 (ESOS) was approved by the shareholders on September 15, 2015. As per ESOS, 41,62,000 Stock Options can be issued to Whole time Director / Managing Director and other specified categories of employees of the Company. The options are to be granted at market price. The market price is taken as the closing price on the day preceding the date of grant of options, on the stock exchange where the trading volume is the highest. Each option, upon vesting, shall entitle the holder to acquire 1 equity share of Rs.10 of the Company.

Details of the scheme are as under:

| Particulars | Tranche 1 | Tranche 2 | Tranche 3 | Tranche 4 | Tranche 5 |
|--------------------------------------|---|---|---|---|---|
| Date of Grant | 16-Sep-2010 | 22-Jan-2011 | 10-May-2011 | 17-Oct-2011 | 11-May-2012 |
| Number of Options Granted | 28,50,000 | 3,00,000 | 2,20,000 | 1,00,000 | 2,70,000 |
| Method of Settlement (Cash / Equity) | Equity | Equity | Equity | Equity | Equity |
| Exercise Period* | 8 years from the date of vesting | 8 years from the date of vesting | 8 years from the date of vesting | 8 years from the date of vesting | 8 years from the date of vesting |
| Vesting Conditions | Continued employment and individual performance | Continued employment and individual performance | Continued employment and individual performance | Continued employment and individual performance | Continued employment and individual performance |

* In case of death / permanent incapacity / superannuation of the employee, 3 years from the date of death / permanent incapacity/ superannuation or expiry of exercise period, whichever is earlier.

Vesting Schedule :

| Vesting Date | All tranches |
|--------------------------------|--------------|
| 1 year from the date of grant | 15% |
| 2 years from the date of grant | 15% |
| 3 years from the date of grant | 20% |
| 4 years from the date of grant | 25% |
| 5 years from the date of grant | 25% |

Movement in options is summarized below :

| Particulars | Financial Year 2024-25 | Financial Year 2023-24 |
|--|---------------------------|---------------------------|
| | No. of options | No. of options |
| Outstanding at the beginning of the year | - | 68,000 |
| Granted during the year | - | - |
| Forfeited during the year | - | - |
| Exercised during the year | - | 68,000 |
| Expired during the year | - | - |
| Outstanding at the end of the year | - | - |
| Exercisable at the end of the year | - | - |
| Weighted average remaining contractual life (in years) | - | - |
| Weighted average Exercise price (in Rs.) | - | 74.76 |

The details of Exercise Price of Stock Options Outstanding as at March 31, 2025 are as under:

| Tranche | Weighted Average Fair Value of Options (in Rs.) | Range of Exercise Price (in Rs.) | Number of Options Outstanding | Weighted Average remaining Contractual Life of Options (in years) | Weighted Average Exercise Price (in Rs.) |
|---------|---|--|-------------------------------------|---|--|
| 1 | - | - | - | - | - |
| 2 | - | - | - | - | - |
| 3 | - | - | - | - | - |
| 4 | - | - | - | - | - |
| 5 | - | - | - | - | - |

The details of Exercise Price of Stock Options Outstanding as at March 31, 2024 are as under:

| Tranche | Weighted Average Fair Value of Options (in Rs.) | Range of Exercise Price (in Rs.) | Number of Options Outstanding | Weighted Average remaining Contractual Life of Options (in years) | Weighted Average Exercise Price (in Rs.) |
|---------|---|--|-------------------------------------|---|--|
| 1 | 31.38 | 73.50 | - | - | 73.50 |
| 2 | 32.86 | 76.85 | - | - | 76.85 |
| 3 | 38.44 | 82.90 | - | - | 82.90 |
| 4 | 45.06 | 101.10 | - | - | 101.10 |
| 5 | 34.97 | 69.40 | - | - | 69.40 |

Stock Options Granted

The weighted average fair value of stock options granted was Nil (Previous Year: Rs. 32.54 per option). The Black Scholes Valuation Model had been used for computing the weighted average fair value considering the following inputs:

As at March 31, 2025:-

| Particulars | Tranche 1 | Tranche 2 | Tranche 3 | Tranche 4 | Tranche 5 |
|--|-----------|-----------|-----------|-----------|-----------|
| Weighted Average Share Price (Rs.) | - | - | - | - | - |
| Exercise Price (Rs.) | - | - | - | - | - |
| Expected Volatility | - | - | - | - | - |
| Life of the Options granted (vesting and exercise period) in years | - | - | - | - | - |
| Average Risk-Free Interest rate | - | - | - | - | - |
| Expected Dividend Yield | - | - | - | - | - |

As at March 31, 2024:-

| Particulars | Tranche 1 | Tranche 2 | Tranche 3 | Tranche 4 | Tranche 5 |
|--|-----------|-----------|-----------|-----------|-----------|
| Weighted Average Share Price (Rs.) | 73.50 | 76.85 | 82.90 | 101.10 | 69.40 |
| Exercise Price (Rs.) | 73.50 | 76.85 | 82.90 | 101.10 | 69.40 |
| Expected Volatility | 37.12% | 37.30% | 37.46% | 38.09% | 37.94% |
| Life of the Options granted (vesting and exercise period) in years | - | - | - | - | - |
| Average Risk-Free Interest rate | 7.71% | 7.72% | 7.73% | 7.76% | 7.79% |
| Expected Dividend Yield | 3.45% | 3.45% | 3.45% | 3.45% | 3.45% |

The expected volatility was determined based on historical volatility data. For calculating volatility, the Company had considered the daily volatility of the stock prices of the Company on National Stock Exchange of India Limited over a period prior to the date of grant, corresponding with the expected life of the options.

In financial year 2010-11, CFCL Employees Welfare Trust ("Trust") was constituted, inter alia, for the purpose of subscribing or acquiring equity shares of the Company from the Company or Secondary market, to hold the shares and to allocate or transfer these shares to eligible employees of the Company from time to time on the terms and conditions specified under the Employees stock option scheme. The Board of Directors at its meeting held on May 08, 2010 had approved grant of financial assistance upto Rs. 30.00 Crore by the Company to Trust in such manner and on such terms as agreed between the trustee(s) of the Trust and Managing Director of the Company for the purpose of subscribing or acquiring shares of the Company. In previous financial year all the outstanding options have been exercised, accordingly Trust is not holding any equity shares of the Company.

36 Income Tax Expense**Accounting Policy**

Tax expense or credit comprises of current income tax and deferred tax. Current income-tax expense or credit is measured at the amount expected to be paid to the taxation authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount of current income tax are those that are enacted or substantively enacted, at the reporting date. Deferred Income tax is determined using tax rates (and laws) that have been enacted or substantively enacted, at the reporting date and are expected to apply when the related deferred income tax assets are realised, or the deferred income tax liabilities are settled.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from 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; and
- In respect of taxable temporary differences associated with investments in subsidiaries and interest in joint venture, 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 recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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 utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised 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 realised 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 recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are off-set if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the accounting framework and other applicable accounting pronouncements, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement" and grouped under Deferred Tax. The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

The major components of Income Tax Expense are:

Profit or Loss Section

(Rs. in Crore)

| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
|---|------------------------------|------------------------------|
| Current Income Tax: | | |
| Current Income Tax Charge | 454.60 | 299.17 |
| Adjustments in respect of Current Income Tax of earlier years | (0.09) | 0.00 |
| Deferred Tax: | | |
| Relating to origination and reversal of temporary differences | 26.12 | 13.58 |
| Re-assessment of Deferred Tax in accordance with Taxation Laws (Amendment) Act, 2019 (refer note below) | (23.16) | - |
| Re-classification of Tax Expense from Other Comprehensive Income to Profit or Loss Section | (12.14) | - |
| Minimum Alternate Tax (MAT) Credit Utilised | 360.72 | 298.40 |
| Other Utilisations | (3.81) | - |
| Income Tax Expense reported in the Standalone Statement of Profit and Loss | 802.24 | 611.15 |

Other Comprehensive Income (OCI) Section

Tax related to items recognised in OCI:

(Rs. in Crore)

| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
|--|------------------------------|------------------------------|
| Net Loss / (Gain) on re-measurement of Defined Benefit Plans | 0.20 | (1.09) |
| Net Loss on Effective Portion of Exchange Difference re-classified to Profit or Loss on Hedging Instruments - Current Tax | 32.82 | 40.10 |
| Net Loss on Effective Portion of Exchange Difference re-classified to Profit or Loss on Hedging Instruments - Deferred Tax | 18.53 | 22.63 |

| | | |
|---|--------------|--------------|
| Net (Gain) on Effective Portion of Exchange Difference on Hedging Instruments - Current Tax : ((Rs. (0.37) Crore (Previous Year: Rs. (7.70) Crore)) Deferred Tax : ((Rs. 0.85 Crore (Previous Year Rs. (4.34) Crore)) | 0.48 | (12.04) |
| Re-assessment of deferred tax on account of Rate Change | 6.91 | - |
| Re-classification of Tax Expense from Other Comprehensive Income to Profit or Loss Section | 12.14 | - |
| Income Tax Charge to OCI | 71.08 | 49.60 |

Reconciliation of Tax Expense and the accounting profit multiplied by India's domestic tax rate:

(Rs. in Crore)

| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
|--|------------------------------|------------------------------|
| Accounting Profit Before Income Tax | 2,459.03 | 1,942.59 |
| At India's Statutory Income Tax rate of 34.944% (Previous Year : 34.944%) | 859.28 | 678.82 |
| Adjustments in respect of Current Income Tax of earlier years | (0.09) | 0.00 |
| | 859.19 | 678.82 |
| Tax effects of amount which are not deductible (taxable) in calculating taxable income- | | |
| Corporate Social Responsibility Expenditure | 11.91 | 12.32 |
| Deduction under section 80M of Income Tax Act, 1961 and difference in tax rate on Dividend Income from specified foreign companies | (48.54) | (47.59) |
| Realisation of Short Term Capital Loss to reduce the Current Tax Expense | (4.98) | (23.42) |
| Re-assessment / (Reversal) of Deferred Tax in accordance with Taxation Laws (Amendment) Act, 2019 (refer note below) | (23.16) | - |
| Re-classification of Tax Expense from Other Comprehensive Income to Profit or Loss Section | (12.14) | - |
| Derecognition of deferred tax on Fair Value Loss on Financial Instrument measured at Fair Value through Profit or Loss | 25.91 | - |
| Other Non-Deductible Items | (5.95) | (8.98) |
| At the Effective Income Tax rate of 32.62% (Previous Year : 31.46%) | 802.24 | 611.15 |
| Income Tax Expense reported in the Standalone Statement of Profit and Loss | 802.24 | 611.15 |

Deferred Tax

Deferred Tax relates to the following:

(Rs. in Crore)

| Particulars | Standalone Balance Sheet | | Standalone Statement of Profit and Loss | |
|---|-----------------------------|-------------------------|--|------------------------------|
| | As at March 31, 2025 | As at March 31, 2024 | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
| Deferred Income Tax Liabilities | | | | |
| Property, Plant and Equipment (including other intangible assets) | 1,408.34 | 1,985.54 | (577.20) | (21.77) |
| Right-of-Use Assets | 0.76 | 1.11 | (0.35) | (0.22) |
| Interest Income from Income tax refund, Value Added Tax refund etc. accrued in the books, to be offered to tax in the year of realisation | 0.16 | 1.33 | (1.17) | 1.33 |
| Effects of Expenditure allowed under Income Tax Act, 1961 but to be charged in the Statement of Profit and Loss in subsequent year | 31.65 | 28.73 | 2.92 | 27.75 |
| Total Deferred Income Tax Liabilities | 1,440.91 | 2,016.71 | (575.80) | 7.09 |

(Rs. in Crore)

| Particulars | Standalone Balance Sheet | | Standalone Statement of Profit and Loss | |
|--|-----------------------------|-------------------------|--|------------------------------|
| | As at March 31, 2025 | As at March 31, 2024 | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
| Deferred Income Tax Assets | | | | |
| Effects of Expenditure debited to Statement of Profit and Loss in the current year/ earlier years but allowable in subsequent year | 0.84 | 0.24 | 0.60 | (0.94) |
| Allowance for Doubtful Debts and Advances | 1.79 | 9.10 | (7.31) | 0.80 |
| Fair Value Loss on Financial Instrument measured at Fair Value through Profit or Loss | - | 36.27 | (36.27) | (0.74) |
| Leave Encashment | 9.19 | 12.12 | (2.93) | 1.28 |
| Gratuity | (0.46) | 6.79 | (7.25) | 1.51 |
| Carry Forward of Losses on account of Deduction under section 35AD of Income Tax Act, 1961 | - | 0.35 | (0.35) | 0.35 |
| Deferred Tax on Cash Flow Hedge* | 16.13 | 40.72 | (24.59) | (19.34) |
| Re-Measurement (Gain) / Loss on Defined Benefit Plans | 1.65 | 2.50 | (0.85) | 1.09 |
| Re-assessment / (Reversal) of Deferred Tax in accordance with Taxation Laws (Amendment) Act, 2019 (refer note below) | - | 522.12 | (522.12) | - |
| MAT Credit (Utilised) / Entitlement | - | 360.72 | (360.72) | (298.40) |
| Deferred Tax Income | | | (385.99) | (321.48) |
| Total Deferred Income Tax Assets | 29.14 | 990.93 | | |
| Net Deferred Tax Liabilities / (Assets) | 1,411.77 | 1,025.78 | | |

* The amount has been presented on a gross basis and will be fully set off in the Statement of Profit and Loss upon the recycling of the hedged item in future years.

Reconciliation of Deferred Tax Liabilities / Assets (Net):

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| Opening Balance | 1,025.78 | 704.30 |
| Tax Expense during the year recognised in Standalone Statement of Profit and Loss | (12.99) | 13.58 |
| Tax Expense / (Income) during the year recognised in OCI | 38.26 | 9.50 |
| MAT Utilised / (Credit) Entitlement | 360.72 | 298.40 |
| Closing Balance | 1,411.77 | 1,025.78 |

Note: During the year ended March 31, 2025, the Company utilised the entire balance of Minimum Alternate Tax (MAT) credit available. Accordingly, the Company has irrevocably opted to adopt the concessional tax regime under Section 115BAA of the Income Tax Act, 1961, introduced by the Taxation Laws (Amendment) Ordinance, 2019. This option shall be effective from the financial year 2025-26.

In view of this development, the Company has re-measured its deferred tax assets and liabilities as at March 31, 2025, using the applicable tax rate of 25.168% (inclusive of surcharge and cess). As a result, an amount of Rs. 522.12 Crore, previously recognised up to March 31, 2024, has been adjusted against the respective components of deferred tax assets and liabilities as at March 31, 2025.

The re-measurement has been carried out in accordance with the principles laid down under Ind AS 12 – Income Taxes, and the impact has been recognised in the Statement of Profit and Loss.

The Company has long term / short term capital losses, to the tune of Rs. 1.28 Crore (Previous Year: Rs. 15.54 Crore) that are available for offsetting for two to three years against future taxable profits (long term) of the Company. Deferred tax assets have not been recognised in respect of above losses as at March 31, 2025 as there are no other tax planning opportunities or other evidence of recoverability in the near future.

Non-Current Tax Assets of Rs. 39.67 Crore (net of provisions Rs. 487.34 Crore) [Previous Year : Rs. 138.64 Crore (net of provisions Rs. 585.67 Crore)]

37 Fair Values

The management assessed that fair value of financial assets and liabilities approximates their carrying amount.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- (i) Derivative financial instruments - The fair value of foreign exchange forward contracts is determined using the foreign exchange spot and forward rates at the balance sheet date. The derivatives are entered into with the banks / counterparties with investment grade credit ratings.
- (ii) Long term Security Deposits / Employee loans - The fair value of security deposits / employee loans approximates the carrying value and hence, the valuation technique and inputs have not been given.
- (iii) Floating Rate Borrowings / Lease Liabilities - The fair values of the Company's interest bearing borrowings are determined by using discounted cash flow method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2025 was assessed to be insignificant. There are no floating rate borrowing as at March 31, 2025
- (iv) The carrying amount of bank deposits, trade receivables, cash and cash equivalents, investment at amortised cost, other current financial assets, trade payables, fixed rate borrowings and other current financial liabilities are considered to be the same as their fair values, due to their short term nature.
- (v) The fair value of investments carried at fair value through profit and loss is determined using Income Approach, Market Approach and Net Assets Value Method. Determining whether the investments in subsidiaries are impaired requires an estimate of the value in use of investments. In considering the value in use, the management anticipates the future growth rates, discount rates and other factors of the underlying businesses.

38 Fair Value Measurements

Accounting Policy

Derivative Financial Instruments

Initial Recognition and Subsequent Measurement

Derivatives are initially recognised at fair value on the date of derivative contract and are subsequently re-measured at fair value at the end of each reporting period. The resulting gains / losses are recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of recognition in profit or loss / inclusion in the initial cost of non-financial asset depends on the nature of the hedging relationship and the nature of the hedged item. The Company complies with the principles of hedge accounting where derivative contracts are designated as hedge instruments. At the inception of the hedge relationship, the Company documents the economic relationship between the hedging instrument and the hedged item including whether the changes in the cash flows of the hedging instrument are expected to offset changes in the cash flows of hedged items, along with the risk management objectives and its strategy for undertaking hedge transaction.

The Company has designated certain derivatives as hedge of foreign exchange risk associated with the cash flows of highly probable forecast transactions with borrowings.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

Initial Recognition and Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. 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

Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. For the purposes of subsequent measurement, debt instruments are classified in the following three categories:

- Debt instruments at amortised cost.
- Debt instruments at fair value through other comprehensive income (FVTOCI); and
- Debt instruments at fair value through profit or loss (FVTPL).

Debt Instruments at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised 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 amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt Instruments at FVTOCI

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the Statement of Profit and Loss. Interest earned while holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt Instruments at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity Instruments

For the purposes of subsequent measurement, equity instruments are classified in two categories:

- Equity instruments measured at fair value through profit or loss (FVTPL); and
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

All equity investments are measured at fair value. The Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

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 Statement of Profit and Loss, on derecognition, including sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Investment in Subsidiaries and Joint Venture

Investment in subsidiaries and joint venture is carried at deemed cost in the separate financial statements, except in case of investment in preference shares (debt instrument) of a subsidiary company which is carried in accordance with Ind AS 109 'Financial Instruments'.

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 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 (i) the Company has transferred substantially all the risks and rewards of the asset, or (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. Assessment of such credit risk is being made on case-to-case basis based on available information.

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

The allowance for doubtful debts/ advances or impairment of assets is made on case-to-case basis by considering relevant available information.

(b) Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, as loans and borrowings, as payables, or as derivatives. All financial liabilities are recognised 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 derivative financial instruments.

Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities at fair value through profit or loss (FVTPL) include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. 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 by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 'Financial instruments'.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Loans and Borrowings

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

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another financial liability on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(i) Financial Instruments by Category

(Rs. in Crore)

| Particulars | As at March 31, 2025 | | | As at March 31, 2024 | | |
|--|----------------------|--------|----------------|----------------------|--------|----------------|
| | FVTPL | FVTOCI | Amortised Cost | FVTPL | FVTOCI | Amortised Cost |
| Financial Assets | | | | | | |
| Investments: | | | | | | |
| - Preference Shares | 13.44 | - | - | 13.44 | - | - |
| - Equity Shares | 0.02 | - | - | 0.02 | - | - |
| - Mutual Funds | 828.24 | - | - | 1,932.19 | - | - |
| - Government Securities | - | - | 0.00 | - | - | 0.00 |
| Loan to Employees | - | - | 0.06 | - | - | 0.13 |
| Security Deposits | - | - | 4.58 | - | - | 4.47 |
| Trade Receivables | - | - | 367.92 | - | - | 191.56 |
| Cash and Cash Equivalents | - | - | 99.02 | - | - | 100.79 |
| Bank Balances other than Cash and cash equivalents | - | - | 124.21 | - | - | 19.28 |

(Rs. in Crore)

| Particulars | As at March 31, 2025 | | | As at March 31, 2024 | | |
|---|----------------------|----------|-----------------|----------------------|----------|-----------------|
| | FVTPL | FVTOCI | Amortised Cost | FVTPL | FVTOCI | Amortised Cost |
| Other Current Financial Assets | - | - | 158.87 | - | - | 110.88 |
| Total Financial Assets | 841.70 | - | 754.66 | 1,945.65 | - | 427.11 |
| Financial Liabilities | | | | | | |
| Borrowings - Floating Rate | - | - | - | - | - | 1,773.21 |
| Lease Liabilities | - | - | 16.40 | - | - | 20.38 |
| Other Non Current Financial Liabilities | - | - | 2.39 | - | - | - |
| Trade Payables | - | - | 630.05 | - | - | 793.47 |
| Derivative - Foreign Exchange Forward Contracts | 8.68 | - | - | 0.43 | - | - |
| Other Current Financial Liabilities | - | - | 404.48 | - | - | 405.84 |
| Total Financial Liabilities | 8.68 | - | 1,053.32 | 0.43 | - | 2,992.90 |

(ii) Fair Value Hierarchy

Accounting Policy

The Company measures financial instruments, such as, derivatives at fair value at each reporting date

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, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability and assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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 recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring fair value measurement, such as assets held for disposal in discontinued operations.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration, if any.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by comparing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers and / or with available information, also compares the change in the fair value of each asset and liability with relevant available external sources to determine whether the change is reasonable.

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. The following table provides the Fair Value Measurement hierarchy of the Company's Assets and Liabilities.

Quantitative Disclosures and Fair Value Measurement Hierarchy for Assets as at March 31, 2025:

(Rs. in Crore)

| Particulars | Date of Valuation | Total | Fair Value Measurement using | | |
|--|-------------------|--------|---|-------------------------------------|---------------------------------------|
| | | | Prices in Active Markets (Quoted for Equity Securities and NAV for Investment in Mutual Funds) | Significant observable Inputs | Significant unobservable Inputs |
| | | | (Level 1) | (Level 2) | (Level 3) |
| Assets measured at Fair Value | | | | | |
| Investment in Preference Shares | 31.03.2025 | 13.44 | - | - | 13.44 |
| Investment in Equity Shares | 31.03.2025 | 0.02 | - | - | 0.02 |
| Investment in Mutual Funds | 31.03.2025 | 828.24 | 828.24 | - | - |
| Assets for which Fair Values are disclosed | | | | | |
| Employee Loans | 31.03.2025 | 0.04 | - | 0.04 | - |
| Security Deposits | 31.03.2025 | 3.71 | - | 3.71 | - |

There have been no transfers between level 1, level 2 and level 3 fair value hierarchy during the period.

Quantitative Disclosures and Fair Value Measurement Hierarchy for Liabilities as at March 31, 2025:

(Rs. in Crore)

| Particulars | Date of Valuation | Total | Fair Value Measurement using | | |
|---|-------------------|-------|------------------------------|-------------------------------|---------------------------------|
| | | | Prices in Active Markets | Significant observable Inputs | Significant unobservable Inputs |
| | | | (Level 1) | (Level 2) | (Level 3) |
| Liabilities measured at Fair Value | | | | | |
| Derivative Financial Liabilities | 31.03.2025 | 8.68 | - | 8.68 | - |
| Liabilities for which Fair Values are disclosed | | | | | |
| Borrowings - Floating Rate | 31.03.2025 | - | - | - | - |
| Lease Liabilities | 31.03.2025 | 16.40 | - | 16.40 | |

There have been no transfers between level 1, level 2 and level 3 fair value hierarchy during the period.

Quantitative Disclosures and Fair Value measurement Hierarchy for Assets as at March 31, 2024:

(Rs. in Crore)

| Particulars | Date of Valuation | Total | Fair Value Measurement using | | |
|--|-------------------|----------|---|-------------------------------------|---------------------------------------|
| | | | Prices in Active Markets (Quoted for Equity Securities and NAV for Investment in Mutual Funds) | Significant observable Inputs | Significant unobservable Inputs |
| | | | (Level 1) | (Level 2) | (Level 3) |
| Assets measured at Fair Value | | | | | |
| Investment in Preference Shares | 31.03.2024 | 13.44 | - | - | 13.44 |
| Investment in Equity Shares | 31.03.2024 | 0.02 | - | - | 0.02 |
| Investment in Mutual Funds | 31.03.2024 | 1,932.19 | 1,932.19 | - | - |
| Assets for which Fair Values are disclosed | | | | | |
| Employee Loans | 31.03.2024 | 0.10 | - | 0.10 | - |
| Security Deposits | 31.03.2024 | 3.87 | - | 3.87 | - |

There have been no transfers between level 1, level 2 and level 3 fair value hierarchy during the period.

Quantitative Disclosures and Fair Value Measurement hierarchy for Liabilities as at March 31, 2024:

(Rs. in Crore)

| Particulars | Date of Valuation | Total | Fair Value Measurement using | | |
|---|-------------------|----------|------------------------------|-------------------------------|---------------------------------|
| | | | Prices in Active Markets | Significant observable Inputs | Significant unobservable Inputs |
| | | | (Level 1) | (Level 2) | (Level 3) |
| Liabilities measured at Fair Value | | | | | |
| Derivative Financial Liabilities | 31.03.2024 | 0.43 | - | 0.43 | |
| Liabilities for which Fair Values are disclosed | | | | | |
| Borrowings - Floating Rate | 31.03.2024 | 1,773.21 | - | 1,773.21 | - |
| Lease Liabilities | 31.03.2024 | 20.38 | - | 20.38 | |

There have been no transfers between level 1, level 2 and level 3 fair value hierarchy during the period.

Fair value measurements using significant unobservable inputs (Level 3)

The following table presents the changes in level 3 items:

(Rs. in Crore)

| Particulars | Investment in Preference Shares | Investment in Equity Shares |
|---|---------------------------------|-----------------------------|
| As at April 01, 2023 | 13.44 | 0.02 |
| -Additions | - | - |
| -Deletions | - | - |
| -Fair Value Loss on Financial Instrument measured at Fair Value through Profit or Loss | - | - |
| As at March 31, 2024 | 13.44 | 0.02 |
| - Additions | - | - |
| - Deletions | - | - |
| - Fair Value Loss on Financial Instrument measured at Fair Value through Profit or Loss | - | - |
| As at March 31, 2025 | 13.44 | 0.02 |

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis are shown as below:

| Particulars | Valuation techniques | Significant unobservable inputs | Range (Net assets value) (Rs. in Crore) | Sensitivity of the inputs to fair value |
|---------------------------------|-------------------------|---------------------------------|---|--|
| As at March 31, 2025 | | | | |
| Investment in Preference Shares | Net Assets value method | Net Assets Value | 13.44 | Increase / (Decrease) in net assets value by 5% would result in Increase / (Decrease) in fair value by Rs.0.67 Crore and (Rs.0.67 Crore) respectively. |
| Investment in Equity Shares | Net Assets value method | Net Assets Value | 0.02 | Increase / (Decrease) in net assets value by 5% would result in Increase / (Decrease) in fair value by Rs.0.00 Crore and (Rs.0.00 Crore) respectively. |
| As at March 31, 2024 | | | | |
| Investment in Preference Shares | Net Assets value method | Net Assets Value | 13.44 | Increase / (Decrease) in net assets value by 5% would result in Increase / (Decrease) in fair value by Rs.0.67 Crore and (Rs.0.67 Crore) respectively. |
| Investment in Equity Shares | Net Assets value method | Net Assets Value | 0.02 | Increase / (Decrease) in net assets value by 5% would result in Increase / (Decrease) in fair value by Rs.0.00 Crore and (Rs.0.00 Crore) respectively. |

39 Financial Risk Management Objectives and Policies

The Company's principal financial liabilities, other than derivatives, generally comprises of borrowings, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables and cash and cash equivalents which are derived directly from its operations. The Company also holds investments.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The management of these risks is carried out by the finance department under the approved policies of the Company. The finance department identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The management reviews overall risks periodically.

(i) 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 commodity risk. Financial instruments affected by market risk include borrowings, investments, other receivables, other payables 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, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant.

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 as at March 31, 2025 and March 31, 2024.

a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As and when deemed appropriate, the Company enters into Interest rate swap contracts for converting floating rate into fixed rate.

Interest Rate Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(Rs. in Crore)

| Particulars | Increase+/ Decrease-in basis points | Increase/ (Decrease) in Profit before Tax |
|-----------------------|-------------------------------------|---|
| March 31, 2025 | | |
| USD Borrowings | +50 | - |
| USD Borrowings | -50 | - |
| March 31, 2024 | | |
| USD Borrowings | +50 | (11.75) |
| USD Borrowings | -50 | 11.75 |

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

b) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The foreign exchange risk of the Company arises mainly out of import of fertilisers, capital goods and foreign currency borrowings.

The major part of the long-term borrowings of the Company comprised of External Commercial Borrowings / Foreign Currency Term Loans availed in US Dollars for financing of Gadepan-III plant of the Company.

The revenue of the Company from Gadepan-III Plant was linked to US Dollars in terms of New Investment Policy 2012. Accordingly, the Company had natural cover against fluctuation of foreign exchange rates and did not enter into transactions to hedge foreign exchange risk in respect of aforesaid foreign currency borrowings. The Company made prepayment of these loans during the current financial year and continued to follow the hedge accounting as the forecasted sales are expected to occur as per hedge documentation. The Company is reasonably certain to assess that the amount of loss accumulated in the cash flow hedge reserve is recoverable and the notional amount of the hedged item will exceed the hedging instrument.

In order to mitigate the foreign exchange risk in respect of imported fertilisers, the Company continuously monitors its foreign exchange exposure and hedges its foreign exchange risk in this regard, to the extent considered necessary, through forward contracts and option structures.

Foreign Currency Sensitivity

The company exposure to foreign currency risk at the end of the reporting period expressed in Rupees are as follows.

As at March 31, 2025

(Rs. in Crore)

| Currency | Assets | | Liabilities | | | | Net Exposure to Foreign Currency |
|----------|-------------------------------|-------------------|--|------------|----------------------------------|--|----------------------------------|
| | Receivable from Joint Venture | Other Receivables | Trade Payables and Other Financial Liabilities | Borrowings | Derivative Financial Liabilities | Interest accrued but not due on Borrowings | |
| USD | 0.22 | 19.27 | 76.22 | - | 7.69 | - | (64.42) |
| EURO | - | - | 2.74 | - | 0.97 | - | (3.71) |
| JPY | - | - | 0.51 | - | 0.03 | - | (0.54) |

As at March 31, 2024

(Rs. in Crore)

| Currency | Assets | | Liabilities | | | | Net Exposure to Foreign Currency |
|----------|-------------------------------|-------------------|--|------------|----------------------------------|--|----------------------------------|
| | Receivable from Joint Venture | Other Receivables | Trade Payables and Other Financial Liabilities | Borrowings | Derivative Financial Liabilities | Interest accrued but not due on Borrowings | |
| USD | 0.08 | 10.52 | 136.13 | 1,781.90 | 0.06 | 1.39 | (1,908.88) |
| EURO | - | - | 1.70 | - | 0.35 | - | (2.05) |
| JPY | - | - | 6.21 | - | 0.02 | - | (6.23) |

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates of various currencies with Rupees, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives..

(Rs. in Crore)

| Particulars | Increase/ (Decrease) in Profit Before Tax For the Year Ended March 31, 2025 | Increase/ (Decrease) in Profit Before Tax For the Year Ended March 31, 2024 | Increase/ (Decrease) in Other Comprehensive Income For the Year Ended March 31, 2025 | Increase/ (Decrease) in Other Comprehensive Income For the Year Ended March 31, 2024 |
|-------------------------|---|---|--|--|
| USD Sensitivity | | | | |
| USD increase by 5% | (3.22) | (6.35) | - | (89.09) |
| USD decrease by 5% | 3.22 | 6.35 | - | 89.09 |
| EURO Sensitivity | | | | |
| EURO increase by 5% | (0.19) | (0.10) | - | - |
| EURO decrease by 5% | 0.19 | 0.10 | - | - |
| JPY Sensitivity | | | | |
| JPY increase by 5% | (0.03) | (0.31) | - | - |
| JPY decrease by 5% | 0.03 | 0.31 | - | - |

Disclosure of effects of hedge accounting on Financial Position and Financial Performance:

Accounting Policy - Cash Flow Hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income and accumulated as 'Cash Flow Hedging Reserve'. The gains / losses relating to the ineffective portion are recognised in the Statement of Profit and Loss.

Amounts previously recognised and accumulated in Other Comprehensive Income are re-classified to profit or loss when the hedged item affects the Statement of Profit and Loss. However, when the hedged item results in the recognition of a non-financial asset, such gains / losses are transferred from equity (but not as re-classification adjustment) and included in the initial measurement cost of the non-financial asset.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gains / losses recognised in Other Comprehensive Income and accumulated in equity at that time remains in equity and is re-classified when the underlying transaction is ultimately recognised. When an underlying transaction is no longer expected to occur, the gains / losses accumulated in equity are recognised immediately in the Statement of Profit and Loss.

Accordingly, on prepayment of the borrowings (hedge instrument), the Company retained the earlier gains / losses recognised in Other Comprehensive Income and accumulated in equity. It will be reclassified to the statement of profit and loss when the hedged future forecasted sales are recognised..

Impact of Hedging Activities

(a) Financial Position

As at March 31, 2025

(Rs. in Crore)

| Type of Hedge & Risks | Nominal Value | | Carrying amount of Hedging Instrument | | Maturity Date | Hedge Ratio* | Weighted Average Strike Price/Rate | Changes in Fair value of Hedging Instrument | Change in the value of Hedged Item used as the basis for recognising Hedge Effectiveness |
|------------------------|---------------|-------------|---------------------------------------|-------------|---------------|--------------|------------------------------------|---|--|
| | Assets | Liabilities | Assets | Liabilities | | | | | |
| Cash Flow Hedge | | | | | | | | | |
| Foreign Exchange Risk: | | | | | | | | | |
| Borrowings | - | - | - | - | 30.09.2027 | 1:1 | USD 1 : Rs. 66.27 | 895.13 | (895.13) |

The Company pre paid the borrowings (hedge instrument) on June 28, 2024 and continued to follow the hedge accounting . The Company is reasonably certain to assess that the amount of loss accumulated in the cash flow hedge reserve is recoverable and the notional amount of the hedged item will exceed the hedging instrument. Further, the forecasted sales are expected to occur as per hedge documentation. Any Ineffectiveness in future will be charged off to profit and loss.

As at March 31, 2024

(Rs. in Crore)

| Type of Hedge & Risks | Nominal Value | | Carrying amount of Hedging Instrument | | Maturity Date | Hedge Ratio* | Weighted Average Strike Price/Rate | Changes in Fair value of Hedging Instrument | Change in the value of Hedged Item used as the basis for recognising Hedge Effectiveness |
|------------------------|---------------|-------------|---------------------------------------|-------------|---------------|--------------|------------------------------------|---|--|
| | Assets | Liabilities | Assets | Liabilities | | | | | |
| Cash Flow Hedge | | | | | | | | | |
| Foreign Exchange Risk: | | | | | | | | | |
| Borrowings | - | 1,773.21 | - | 1,773.21 | 30.09.2027 | 1:1 | USD 1 : Rs. 66.27 | 893.48 | (893.48) |

* The entire amount of Borrowings taken for Gadepan-III Plant has been designated as hedging instrument against highly probable forecasted revenue being hedged item from Gadepan-III Plant, therefore the hedge ratio is 1:1.

(b) Financial Performance

(Rs. in Crore)

| For the Year Ended March 31, 2025 | | | | |
|-----------------------------------|--|--|---|---|
| Type of Hedge | Change in the value of the Hedging Instrument recognised in Other Comprehensive Income | Hedge ineffectiveness recognised in Profit or Loss | Amount re-classified from Cash Flow Hedging Reserve to Profit or Loss | Line item affected in Statement of Profit and Loss because of the re-classification |
| Cash Flow Hedge | | | | |
| Foreign Exchange Risk | (1.65) | - | 146.98 | Revenue from Operations |

(Rs. in Crore)

| For the Year Ended March 31, 2024 | | | | |
|-----------------------------------|--|--|---|---|
| Type of Hedge | Change in the value of the Hedging Instrument recognised in Other Comprehensive Income | Hedge ineffectiveness recognised in Profit or Loss | Amount re-classified from Cash Flow Hedging Reserve to Profit or Loss | Line item affected in Statement of Profit and Loss because of the re-classification |
| Cash Flow Hedge | | | | |
| Foreign Exchange Risk | (34.48) | - | 179.53 | Revenue from Operations |

Movements in Cash Flow Hedging Reserve

(Rs. in Crore)

| Risk Category | Foreign Currency Risk | |
|--|------------------------|------------------------|
| | Financial Year 2024-25 | Financial Year 2023-24 |
| Derivative Instruments | | |
| Cash Flow Hedging Reserve | | |
| Opening at the beginning of the Year | (224.04) | (318.40) |
| Add: Changes in Borrowings | (1.65) | (34.48) |
| Add: Amounts re-classified to Profit or Loss | 146.98 | 179.53 |
| Less: Current Tax relating to above | 44.60 | 40.10 |
| Less: Deferred Tax relating to above | 25.64 | 10.59 |
| Closing at the end of the Year | (148.95) | (224.04) |

c) Commodity Price Risk

Commodity price risk of the Company arises from the ongoing purchase of natural gas and imported fertilisers required for its operating activities.

- (i) Natural gas is the major raw material for manufacture of Urea. The prices of Natural Gas are mostly linked to international crude oil prices which varies with the fluctuation in the prices of crude oil, demand supply pattern etc. The part of the natural gas quantity required by the Company has also been purchased at fixed price. The cost of natural gas is considered appropriately in line with the subsidy policies of Government of India for manufacture of Urea. As per the guidelines for pooling of gas in fertilizer (Urea) sector issued by the Government of India, the natural gas is available to the Urea manufacturer at uniform price. The Company did not enter into any transaction for hedging the fluctuations in the prices of natural gas.
- (ii) The Company deals in imported fertilisers (i.e. DAP, MOP and NPK), which are imported by the Company and sold in the domestic market. The prices of imported fertilisers may fluctuate due to demand-supply scenario, outage of plants, fluctuation in prices of raw materials etc.
The Company takes following steps to mitigate the risk pertaining to fluctuation in prices:
 - (a) Dynamic sourcing strategy and review of demand and supply on regular basis;
 - (b) No long term commitments; and
 - (c) Constant review of market condition including costing of competitors.

The Company did not enter into any transactions to hedge the risk pertaining to fluctuation in prices.

(ii) 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) including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

a) 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 Government of India in the form of subsidy. As far as Government portion of receivables are concerned, credit risk is low. 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 extension of credit to customers. The Company monitors the payment track record of the customers and outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several states and operate in largely independent markets. The Company has also taken security deposits from its customers, which mitigate the credit risk to some extent.

Company has established an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The Company applies a simplified approach permitted by Ind AS 109 'Financial Instruments' for the purpose of computation of expected credit loss for trade receivables and 12-month expected credit loss for other receivables. For Trade Receivables, the Company uses a provision matrix to compute the amount of expected credit losses. The provision matrix takes into account external and internal credit risk factors and historical data of credit losses from various customers adjusted for forward looking estimates. Accordingly, the provision for doubtful debts or provision for impairment of trade receivables is made on case to case basis, based on the information available, past history and other relevant available information. Besides this the Company also makes specific provision for past due receivables beyond 90 days ranging from 50% to 100%. Assessment of credit risk is being made on case to case basis based on available information and if credit risk has increased from initial recognition. The Company evaluates the concentration of risk with respect to trade receivables as low.

Expected credit losses for Trade Receivables under Simplified Approach

The Company provides for expected credit loss based on 12 months and lifetime expected credit loss basis for following assets:

As at March 31, 2025

(Rs. in Crore)

| Particulars | Estimated Gross Carrying amount at default | Expected Credit Loss | Carrying amount net of impairment provision |
|---------------------------|--|----------------------|---|
| Investments | 1,131.17 | - | 1,131.17 |
| Trade Receivables | 371.97 | 4.05 | 367.92 |
| Loans | 0.06 | - | 0.06 |
| Cash and Cash Equivalents | 99.02 | - | 99.02 |
| Other Bank Balances | 124.21 | - | 124.21 |
| Other Financial Assets | 163.45 | - | 163.45 |

As at March 31, 2024

(Rs. in Crore)

| Particulars | Estimated Gross Carrying amount at default | Expected Credit Loss | Carrying amount net of impairment provision |
|---------------------------|--|----------------------|---|
| Investments | 2,235.12 | - | 2,235.12 |
| Trade Receivables | 210.57 | 19.01 | 191.56 |
| Loans | 0.13 | - | 0.13 |
| Cash and Cash Equivalents | 100.79 | - | 100.79 |
| Other Bank Balances | 19.25 | - | 19.25 |
| Other Financial Assets | 115.38 | - | 115.38 |

Expected credit losses for Trade Receivables under Simplified Approach
As at March 31, 2025
(Rs. in Crore)

| S. No. | Particulars | Not Due | Less than 6 Months | 6 Months - 1 Year | 1-2 Years | 2-3 Years | More than 3 years | Total |
|--------|--|-----------------|--------------------|-------------------|-------------|-------------|-------------------|---------------|
| (i) | Gross carrying amount - Trade Receivables | (157.81) | 512.33 | 10.68 | 0.08 | 3.76 | 2.93 | 371.97 |
| (ii) | Expected loss rate | 0.00% | 0.00% | -0.13% | -0.28% | -0.45% | 0.00% | 0.00% |
| (iii) | Expected credit losses - Loss Allowances - Trade Receivables | 0.61 | 0.54 | 0.02 | 0.05 | 0.03 | 2.80 | 4.05 |
| (iv) | Carrying amount of Trade Receivables (net of impairment) | (158.42) | 511.79 | 10.66 | 0.03 | 3.73 | 0.13 | 367.92 |

As at March 31, 2024
(Rs. in Crore)

| S. No. | Particulars | Not Due | Less than 6 Months | 6 Months - 1 Year | 1-2 Years | 2-3 Years | More than 3 years | Total |
|--------|--|--------------|--------------------|-------------------|-------------|-----------|-------------------|---------------|
| (i) | Gross carrying amount - Trade Receivables | 87.54 | 99.42 | 0.06 | 4.20 | 0.34 | 19.01 | 210.57 |
| (ii) | Expected loss rate | 0.00% | 0.01% | 0.18% | 0.01% | 0.00% | 0.00% | 0.00% |
| (iii) | Expected credit losses - Loss Allowances - Trade Receivables | 0.61 | 0.08 | 0.02 | 0.04 | 0.34 | 17.92 | 19.01 |
| (iv) | Carrying amount of Trade Receivables (net of impairment) | 86.93 | 99.34 | 0.04 | 4.16 | - | 1.09 | 191.56 |

b) Financial Instruments and Cash Deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department. Credit risk arising from investment in mutual funds, bonds, derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised institutions with good credit ratings assigned by the credit rating agencies.

Refer below table for Reconciliation of loss allowances.

(Rs. in Crore)

| Particulars | Trade Receivables | Other Receivables |
|---|-------------------|-------------------|
| Loss Allowance as at April 01, 2023 | 16.58 | 5.77 |
| Loss Allowance made during the financial year 2023-24 | 2.60 | - |
| Loss Allowance written off / (written back) during the financial year 2023-24 | (0.17) | (0.14) |
| Loss Allowance as at March 31, 2024 | 19.01 | 5.63 |
| Loss Allowance made during the financial year 2024-25 | 0.59 | - |
| Loss Allowance written off / (written back) during the financial year 2024-25 | 15.55 | (3.98) |
| Loss Allowance as at March 31, 2025 | 4.05 | 1.65 |

(iii) Liquidity Risk

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements at all times. The Company relies on a mix of borrowings and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium/ long term funding requirements. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom in its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(Rs. in Crore)

| Particulars | Less than 1 year | 1-2 years | 2-3 years | 3-5 years | > 5 years | Total | Carrying Value |
|-----------------------------|------------------|---------------|---------------|---------------|-------------|-----------------|-----------------|
| As at March 31, 2025 | | | | | | | |
| Borrowings | - | - | - | - | - | - | - |
| Lease Liabilities | 5.53 | 5.46 | 3.16 | 2.03 | 1.83 | 18.01 | 16.40 |
| Other Financial Liabilities | 343.84 | - | - | - | - | 343.84 | 343.84 |
| Trade and Other Payables | 701.76 | - | - | - | - | 701.76 | 701.76 |
| Total | 1,051.13 | 5.46 | 3.16 | 2.03 | 1.83 | 1,063.61 | 1,062.00 |
| As at March 31, 2024 | | | | | | | |
| Borrowings | 709.33 | 675.15 | 264.95 | 132.47 | - | 1,781.90 | 1,781.90 |
| Lease Liabilities | 5.74 | 5.78 | 5.54 | 4.19 | 3.56 | 24.81 | 20.38 |
| Other Financial Liabilities | 337.75 | - | - | - | - | 337.75 | 337.75 |
| Trade and Other Payables | 861.99 | - | - | - | - | 861.99 | 861.99 |
| Total | 1,914.81 | 680.93 | 270.49 | 136.66 | 3.56 | 3,006.45 | 3,002.02 |

40 Capital Management

The Company's objective while managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefit for other stakeholders. The Company will maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return the capital to shareholders, issue new shares or sell assets to reduce debt.

The Capital Structure of the Company is as follows:

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|----------------------|----------------------|
| Equity Share Capital | 400.65 | 400.65 |
| Other Equity | 8,133.81 | 6,722.71 |
| Debts (Long term and Short term both (including current maturities))* | - | 1,773.21 |
| Total | 8,534.46 | 8,896.57 |

* The above debt includes Nil (Previous Year: Rs. 1,773.21 Crore) towards Gadepan-III Plant, which had commenced commercial production from January 01, 2019. The Pre- payment of said debt is made during the year.

Earlier before the prepayment of the aforesaid loan under the terms of the borrowing facilities pertaining to Gadepan-III Plant, the Company was required to comply with certain financial covenants as detailed below:

| S. No. | Debt Covenants | Required - Financial Year 2024-25 | Achieved - Financial Year 2024-25 | Required - Financial Year 2023-24 | Achieved - Financial Year 2023-24 |
|--------|---|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| 1 | Total outstanding Liabilities to Tangible Net worth | Not Applicable | Not Applicable | Ratio should be $\leq 2.50:1$ | 0.59:1 |
| 2 | Total Debts to EBITDA | | | Ratio should be $\leq 3.50:1$ | 0.73:1 |
| 3 | Fixed Assets Cover Ratio | | | Ratio should be $\geq 1.25:1$ | 3.71:1 |
| 4 | Debt Service Coverage Ratio | | | Ratio should be $\geq 1.20:1$ | 2.02:1 |

41 Distribution Made and Proposed

Accounting Policy

The Company recognises a liability to make dividend distributions to equity holders of the Company when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the applicable laws in India, a distribution is authorised when it is approved by the shareholders, except in case of Interim Dividend on approval of Board. A corresponding amount is recognised directly in equity.

(Rs. in Crore)

| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
|---|---------------------------|---------------------------|
| Cash Dividend on Equity Shares Declared and Paid: | | |
| Dividend (during the year ended on March 31, 2025: at the rate of Rs. 3.00 per equity share and March 31, 2024: at the rate of Rs. 3.00 per equity share) | 120.20 | 124.87 |
| Interim Dividend (during the year ended on March 31, 2025 at the rate of Rs. 5.00 per equity share and March 31, 2024 at the rate of Rs. 4.50 per equity share) | 200.32 | 187.29 |
| Total | 320.52 | 312.16 |

(Rs. in Crore)

| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
|---|------------------------------|------------------------------|
| Proposed Dividend on Equity Shares: | | |
| Final Dividend (for the year ended on March 31, 2025: at the rate of Rs. 5.00 per equity share, for the year ended on March 31, 2024: at the rate of Rs. 3.00 per equity share) | 200.32 | 120.20 |
| Total | 200.32 | 120.20 |

42 Assets classified as Held for Sale

Accounting Policy

Non-current assets (or disposal group) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

Discontinued operations is a component of an entity that either has been disposed off, or is classified as held for sale, and: represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose off a separate major line of business or geographical area of operations.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Property, Plant and Equipment classified as Held for Sale : | | |
| - Plant and Equipment * | 0.50 | 3.03 |
| - Vehicles | 0.02 | 0.00 |
| Total | 0.52 | 3.03 |

* net of loss Rs. 1.98 Crore (Previous Year : Rs. 2.45 Crore) for write down of Plant and Equipment.

43 Disclosure required under Section 186 (4) of the Companies Act, 2013

The Company has not given any loans, made investments or given guarantees or provided security during the financial year ended March 31, 2025 and March 31, 2024 under section 186(4) of the Companies Act, 2013.

The details of Investments of the Company are given in note 5A and note 8A.

44 List of Subsidiaries and Joint Venture with Ownership % and Place of Business :

| Name of the Investees | Principal Place of Business | Percentage of Ownership as at March 31, 2025 | Percentage of Ownership as at March 31, 2024 | Method used to account for the investment |
|---|-----------------------------|--|--|---|
| Subsidiaries | | | | |
| Chambal Infrastructure Ventures Limited | India | 100.00% | 100.00% | Deemed cost |
| CFCL Ventures Limited (CVL) # | Cayman Islands | 72.27% | 72.27% | Deemed cost / Fair Value |
| Subsidiaries of CVL | | | | |
| ISGN Corporation ## | U.S.A | 100.00% | 100.00% | |
| ISG Novasoft Technologies Limited ## | India | 100.00% | 100.00% | |
| Joint Venture | | | | |
| Indo Maroc Phosphore S.A, - IMACID | Morocco | 33.33% | 33.33% | Deemed cost |

Equity investment are considered at deemed cost, whereas investment in preference shares are valued at Fair value through Profit and Loss.

Percentage of ownership of CVL.

45 Changes in Financial Liabilities arising from Financing Activities for Financial Year 2024-25

(Rs. in Crore)

| Particulars | As at March 31, 2024 | Receipt | Repayment | Foreign Exchange Variation (Net) | Foreign Currency Translation | Transaction Cost & Others* | As at March 31, 2025 |
|----------------------|----------------------------|----------|-------------------|---|------------------------------------|----------------------------------|----------------------------|
| Long Term Borrowings | 1,773.21 | - | (1,783.55) | 1.65 | - | 8.69 | - |
| Supplier's Credit | - | - | - | - | - | - | - |
| Lease Liabilities * | 20.38 | - | (5.64) | - | - | 1.66 | 16.40 |
| Total | 1,793.59 | - | (1,789.19) | 1.65 | - | 10.35 | 16.40 |

Changes in Financial Liabilities arising from Financing Activities for Financial Year 2023-24

(Rs. in Crore)

| Particulars | As at March 31, 2023 | Receipt | Repayment | Foreign Exchange Variation (Net) | Foreign Currency Translation | Transaction Cost & Others* | As at March 31, 2024 |
|----------------------|----------------------------|----------|-------------------|---|------------------------------------|----------------------------------|----------------------------|
| Long Term Borrowings | 2,608.48 | - | (875.31) | 34.48 | - | 5.56 | 1,773.21 |
| Supplier's Credit | 647.64 | - | (649.82) | 2.18 | - | - | - |
| Lease Liabilities * | 23.13 | - | (5.68) | - | - | 2.93 | 20.38 |
| Total | 3,279.25 | - | (1,530.81) | 36.66 | - | 8.49 | 1,793.59 |

* Represents movement in Lease Liabilities on account of addition, deletion and interest expenses.

46 Additional regulatory information required by Schedule III of Companies Act, 2013

(i) Details of Benami Property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowings secured against current assets

The Company avails borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the books of accounts. Below is the disclosure of quarterly statements filed for the Financial Year 2024-25 and the Previous Year 2023-24

(Rs. in Crore)

| Quarter | Name of Bank | Particulars of Security Provided | Amount of Net Current Assets as per books of account | Amount of Net Current Assets as reported in the quarterly return | Amount of Difference | Reasons of Material Discrepancies |
|-----------------------------------|---|--|---|---|-------------------------|---|
| April 2024 to June 2024 | Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Axis Bank Limited The Federal Bank Limited ICICI Bank Limited | Loan is secured by hypothecation of all the Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Company. | 1,072.17 | 1,072.17 | - | - |
| July 2024 to September 2024 | Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Axis Bank Limited The Federal Bank Limited ICICI Bank Limited | Loan is secured by hypothecation of all the Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Company. | (554.96) | (554.96) | - | - |

(Rs. in Crore)

| Quarter | Name of Bank | Particulars of Security Provided | Amount of Net Current Assets as per books of account | Amount of Net Current Assets as reported in the quarterly return | Amount of Difference | Reasons of Material Discrepancies |
|-------------------------------|---|--|--|--|----------------------|-----------------------------------|
| October 2024 to December 2024 | Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Axis Bank Limited The Federal Bank Limited ICICI Bank Limited | Loan is secured by hypothecation of all the Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Company. | (397.58) | (397.58) | - | - |
| January 2025 to March 2025 | Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Axis Bank Limited The Federal Bank Limited ICICI Bank Limited | Loan is secured by hypothecation of all the Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Company. | 1,552.61 | 1,552.61 | - | - |
| Quarter | Name of Bank | Particulars of Security Provided | Amount of Net Current Assets as per books of account | Amount of Net Current Assets as reported in the quarterly return | Amount of Difference | Reasons of Material Discrepancies |
| April 2023 to June 2023 | Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Axis Bank Limited The Federal Bank Limited ICICI Bank Limited | Loan is secured by hypothecation of all the Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Company. | 3,976.21 | 3,976.21 | - | - |
| July 2023 to September 2023 | Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Axis Bank Limited The Federal Bank Limited ICICI Bank Limited | Loan is secured by hypothecation of all the Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Company. | (598.40) | (598.40) | - | - |
| October 2023 to December 2023 | Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Axis Bank Limited The Federal Bank Limited ICICI Bank Limited | Loan is secured by hypothecation of all the Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Company. | 336.70 | 336.70 | - | - |

(Rs. in Crore)

| Quarter | Name of Bank | Particulars of Security Provided | Amount of Net Current Assets as per books of account | Amount of Net Current Assets as reported in the quarterly return | Amount of Difference | Reasons of Material Discrepancies |
|----------------------------|---|--|--|--|----------------------|-----------------------------------|
| January 2024 to March 2024 | Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Axis Bank Limited The Federal Bank Limited ICICI Bank Limited | Loan is secured by hypothecation of all the Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Company. | 579.62 | 579.62 | - | - |

(iii) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956..

(v) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

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 group shall:

- 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.

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Loans or advances to specified persons

The Company has not granted loans or advances to promoters, directors, key management personnel and the related parties (as defined under Companies Act 2013) either severally or jointly with any other person, that are: (a) repayable on demand or (b) without specifying any terms or period of repayment.

(x) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(xi) Valuation of Property, Plant and Equipment, intangible assets and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(xii) Financial Ratios

| Ratio | Numerator | Denominator | Financial Year - 2024-25 | Financial Year - 2023-24 | % Variance | Reason for Variance; Change of 25% or more |
|---|--|---|--------------------------------|--------------------------------|---------------|---|
| Current Ratio | Current Assets | Current Liabilities | 3.07 | 2.00 | 54% | Current assets decreased by around 11% mainly on account of decrease in mutual fund investment, which was partly compensated by increase in Inventories. Current liabilities decreased by around 42%, mainly on account of repayment of borrowings and lower trade payables. This all resulted into higher current ratio. |
| Debt-Equity Ratio | Total Debt | Total Equity | - | 0.25 | -100% | During the year the Company has made the Pre-payment of entire debt and as at March 31, 2025, it has zero debt. |
| Debt Service Coverage Ratio | Profit Before Tax + Interest Expense + Depreciation + Unrealised Foreign Exchange Rate Variation and Mark to Market Gain / Loss on Derivative Transactions – Current Tax | Long Term Debt repaid during the year + Repayment of Lease Liabilities during the year + Interest Expense | 1.30 | 2.02 | -36% | Debt service coverage ratio deteriorated mainly due to pre-payment of entire long term borrowings. |
| Return on Equity Ratio | Profit after Tax | Average Shareholder's Equity | 21.16 | 19.02 | 11% | |
| Inventory Turnover Ratio | Cost of Goods Sold | Average Inventories | 9.38 | 12.11 | -22% | |
| Trade Receivables Turnover Ratio | Revenue from Operations | Average Trade Receivables | 59.51 | 18.39 | 224% | The decrease in natural gas prices, lower volume of complex fertilisers and higher volume of own manufactured fertilisers contributed to around 7% decrease in turnover of the Company. The average debtors of the Company for the Financial Year 2024-25 were around 71% lower in comparison to the Previous Year on account of better collection and subsidy de-escalation due to lower gas prices. The Debtors' Turnover Ratio has improved on account of the decrease in average debtors, which has been partly offset by the decrease in turnover. |
| Trade Payables Turnover Ratio | Total Purchases | Average Trade Payables | 18.97 | 14.50 | 31% | On account of viability issue there were lower procurement of complex fertilisers by around 18% in value terms and lower natural gas cost also contributed in lower cost of purchase of natural gas. On the other hand average trade payables decreased by around 29%. Decrease in average trade Payables was higher as compared to decrease in purchase value, leading into higher trade payable ratio. |
| Net Capital Turnover Ratio | Revenue from Operations | Working Capital | 6.84 | 8.81 | -22% | |

| Ratio | Numerator | Denominator | Financial Year - 2024-25 | Financial Year - 2023-24 | % Variance | Reason for Variance; Change of 25% or more |
|-----------------------------------|-----------------------------------|--------------------------|--------------------------|--------------------------|------------|--|
| Net Profit Ratio | Profit after Tax | Revenue from Operations | 9.95 | 7.41 | 34% | The turnover of the Company for the Financial Year 2024-25 has decreased around 7% mainly on account of lower prices of natural gas, lower quantity of complex fertilisers, compensated by higher volume of own manufactured fertilisers. On the other hand, the performance of the Company has improved, and the finance costs are also lower. All the above factors contributed to the higher net profit margin. |
| Return on Capital Employed | Earning before Interest and taxes | Average Capital Employed | 25.25 | 20.39 | 24% | |
| Return on Investment | Earning before Interest and taxes | Average Total Assets | 22.35 | 17.77 | 26% | The performance of the Company has improved on account of higher sales volumes of own manufactured urea and better performance of crop protection chemicals and speciality nutrients as compared to Previous Year. On the other hand, average total assets are also lower in comparison to Previous Year on account of timely receipt of subsidy and lower mutual fund investment. All the above factors resulted into higher return on investments. |

(xiii) Title deeds of immovable properties not held in name of the Company

| Relevant line item in the Balance sheet | Description of item of property | Gross carrying value (Rs. in Crore) | 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 |
|--|---------------------------------|-------------------------------------|---------------------------------|---|--------------------------------|--|
| Property Plant and Equipment - Land-Freehold | Land | 0.01 | Individual Sellers | No | 30-09-1989 | The sale deed could not be executed due to death of sellers. |
| Property Plant and Equipment - Land -Leasehold | Land | 0.25 | State Government of Rajasthan | | 30-09-1989 | The transfer of title is pending as some procedural and administrative requirements are yet to be completed. |
| | | 0.07 | | | 30-09-1996 | |
| | | 0.01 | Individual Sellers | | 30-09-1991 | The transfer of title is pending due to dispute with sellers. |

(xiv) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(xv) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such loans were taken.

47 Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, 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.

a) Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

b) Income Taxes

Deferred Tax Assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has Rs. 1.28 Crore (Previous Year: Rs. 15.54 Crore) of carried forward tax losses on account of long term / short term capital losses. These losses mainly relate to the loss on voluntary liquidation of a subsidiary of the Company and merger of a subsidiary of the Company with its subsidiary and will expire in two to three years and may be used to offset taxable long term capital gains in the future. On this basis, the Company has determined that it cannot recognise deferred tax assets on these tax losses (long term/ short term capital losses) carried forward. If the Company would have been able to recognise all unrecognised deferred tax assets, profit and equity would have increased by Rs. 0.30 Crore (Previous Year: Rs.5.28 Crore). Further details on taxes are disclosed in note 36 to the financial statements.

During the year, the Company utilised the entire balance of MAT Credit available. In view of this, the Company has decided to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from Financial Year 2025-2026.

c) Defined Benefit Plans

The cost of the defined benefit gratuity plan, post-employment medical benefits and other defined benefit plans and the present value of the obligation of defined benefit plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for defined benefit plans, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on the expected future inflation rates. Further details about the defined benefit plans are given in note 30 to the financial statements.

d) Revenue

The Company's revenue includes subsidy claims, part of which are pending notification / final implementation by 'Fertiliser Industry Coordination Committee' (FICC), Government of India. As per management estimates, there is reasonable certainty based on Government of India policy and past experience that claims will be notified in due course. On issuance of notification by FICC, Government of India, the adjustments, if any, to revenue are not expected to be significant.

e) 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 discounted cash flow method. The inputs to these models are taken from observable markets wherever possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements 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. Further disclosures in this regard are given in note 38.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/ N500016

Abhishek Rara
Partner
Membership No. : 077779

Place : New Delhi
Date : May 08, 2025

For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited

Rita Menon
Director
DIN: 00064714

Anand Agarwal
Chief Financial Officer

Place : New Delhi
Date : May 08, 2025

Abhay Bajjal
Managing Director
DIN: 01588087

Tridib Barat
Company Secretary

INDEPENDENT AUDITOR'S REPORT

To the Members of Chambal Fertilisers and Chemicals Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Chambal Fertilisers and Chemicals Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its joint venture (refer Note 25 to the attached Consolidated Financial Statements), which comprise the consolidated Balance Sheet as at March 31, 2025, and 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 material accounting policy information and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").
2. 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 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint venture as at March 31, 2025, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) 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 Group and its joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. 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.

| Key audit matter | How our audit addressed the key audit matter |
|--|---|
| <p>Assessment of implications of government policies/ notifications on recognition of subsidy revenue and its recoverability</p> <p>[Refer to the accompanying notes 8(B), 17, 33 and 51(d) of the Consolidated Financial Statements]</p> <p>During the year, the Holding Company has recognised subsidy revenue amounting to Rs. 11,955.19 crore and the aggregate amount of subsidy receivable as at March 31, 2025 is Rs. 265.45 crore. The amount of subsidy revenue and the subsidy receivable are significant to the Consolidated Financial Statements.</p> <p>We identified this as a Key Audit Matter since the recognition of subsidy revenue and the assessment of recoverability of the related subsidy receivables is subject to significant judgements of the management. Further, the areas of subjectivity and judgement include interpretation and satisfaction of conditions specified in the notifications/ policies in the estimation of timing and amount of recognition of subsidy revenue, likelihood of recoverability and allowance in relation to the outstanding subsidy receivables.</p> | <p>Our procedures included the following:</p> <ul style="list-style-type: none">• We understood and evaluated the design and tested the operating effectiveness of controls as established by management in recognition of subsidy revenue and assessment of the recoverability of subsidy receivables.• We evaluated the management's assessment regarding reasonable certainty of complying with the relevant conditions as specified in the notifications/policies.• We considered the relevant notifications/policies issued by various authorities to ascertain the appropriateness of the recognition of subsidy revenue and adjustments to subsidy already recognised in earlier years pursuant to changes in subsidy rates.• We evaluated the basis of judgements that management has made in relation to the notifications/policies including past precedence and subsequent evidence in the form of notifications/policies/clarifications, as applicable.• We assessed the reasonableness of recoverability of subsidy receivables by assessing the management's analysis and information used to determine the recoverability of subsidy receivables, ageing of receivables and historical trends. |

| Key audit matter | How our audit addressed the key audit matter |
|------------------|--|
| | <ul style="list-style-type: none"> We evaluated adequacy of disclosures in the Consolidated Financial Statements. <p>Based on the above procedures performed, the management's assessment of implications of government notifications/policies on recognition of subsidy revenue and the recoverability were considered to be reasonable.</p> |

Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon.

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 the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 14 below), we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 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 Holding Company, as aforesaid.
7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the Group and of its joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
8. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for overseeing the financial reporting process of the Group and of its joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

9. 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.
10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 Holding Company has adequate internal financial controls with reference to 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 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 Group and its joint venture 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 Group and its joint venture 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 within the Group and its joint venture 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. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
11. We communicate with those charged with governance of the Holding 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.
 12. 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.
 13. 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 of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

14. The consolidated financial statements include the Group's share of profit of Rs. 131.70 Crore and total comprehensive income (comprising of profit and other comprehensive income) of Rs. 183.71 Crore for the year ended March 31, 2025 as considered in the consolidated financial statements, in respect of joint venture located outside India, whose financial statements have not been audited by us.

The financial statements of the joint venture has been audited by other auditor whose report has been furnished to us by the other auditor, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in the joint venture and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid joint venture, is based on the report of the other auditor and the procedures performed by us.

The financial statements of the joint venture located outside India have been prepared in accordance with International Financial Reporting Standards (IFRS) accounting principles and have been audited by other independent auditors under International Standards on Auditing (ISA). The Holding Company's management has converted the financial statements of such joint venture located outside India from IFRS to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such joint venture located outside India, including other information, is based on the report of other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.

15. We did not audit the financial statements of four subsidiaries whose financial statements reflect total assets of Rs. 19.17 crore and net assets of Rs. (893.45) crore as at March 31, 2025, total revenue of Rs. Nil, total comprehensive income/(loss) (comprising of loss and other comprehensive income/(loss)) of Rs. (0.32) crore and net cash flows amounting to Rs (0.56) crore for the year ended on that date, as considered in the consolidated financial statements. The financial statements of these subsidiaries have been audited by other auditors whose reports have been furnished to us by the Holding Company's management. Our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors furnished to us by the Holding Company's management. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

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 the work done and report of the other auditors.

Report on Other Legal and Regulatory Requirements

16. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included by the respective auditors in their CARO 2020 reports issued in respect of the standalone financial statements of the companies which are included in these Consolidated Financial Statements.
17. As required by Section 143(3) of the Act, 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 consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ('Rules').
 - (c) The Consolidated Balance Sheet, 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 dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on April 01, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries incorporated in India, none of the directors of the Group companies 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) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 16(b) above on reporting under Section 143(3)(b) and paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Rules.
 - (g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.
 - (h) 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group and its joint venture – Refer Note 26 to the consolidated financial statements.
 - ii. The Group and its joint venture were not required to recognise a provision as at March 31, 2025 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contracts. The Group and its joint venture has made provision as at March 31, 2025, as required under applicable law or Indian Accounting Standards, for material foreseeable losses on derivative contracts – Refer Note 14C to the Consolidated Financial Statements.
 - iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year. During the year ended March 31, 2025, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiaries incorporated in India.
 - iv. (a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the Note 50(vi) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("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 Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the Note 50(vi)

to the financial statements, no funds have been received by the Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries 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, performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The dividend declared and paid by the Holding Company during the year and until the date of this audit report, is in compliance with Section 123 of the Act. The subsidiaries incorporated in India have not declared or paid any dividend during the year.

vi. Based on our examination, which included test checks, the Holding Company have used accounting software for maintaining their books of account which have a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except that the audit log: (a) is not maintained for modification, if any, made by certain users with privileged access rights to few tables at the application level, however no such direct changes have been made in these tables during the year; and (b) was not enabled to capture any direct changes at the database level. During the course of performing our procedures except the aforesaid instances, we did not notice any instance of the audit trail feature being tampered with. Further, the audit trail, to the extent maintained in the prior year, has been preserved by the Holding Company as per the statutory requirements for record retention.

Further, for the subsidiaries, which are companies incorporated in India whose financial statements have been audited by an independent firm of Chartered Accountants under the Act, the following remarks were included in the audit reports dated May 02, 2025 and May 05, 2025, containing an unmodified audit opinion on the financial statements of Chambal Infrastructure Ventures Limited and ISG Novasoft Technologies Private Limited, respectively, which is reproduced as under:

In Case of Chambal Infrastructure Ventures Limited "Based on our examination, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025 effective from June 06, 2024 which have a feature of recording audit trail (edit log) facility and that has operated throughout the period from June 06, 2024 to March 31, 2025. Further, during the course of our audit, for the periods where audit trail (edit log) facility was enabled and operated throughout the period, we did not notice any instance of audit trail feature being tampered with. For the period April, 01, 2024 to June 05, 2024, the books of accounts are manually maintained. Further, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2025 as the books of accounts for the year ended March 31, 2024 were manually maintained."

In Case of ISG Novasoft Technologies Private Limited "Based on our the examination carried out in accordance with Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, the Company is maintaining books of accounts manually. Accordingly, the assessment and reporting responsibility under Rule 11(g) will not be applicable."

18. The Group have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act. The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies incorporated in India. Accordingly, reporting under Section 197(16) of the Act is not applicable to the joint venture located outside India.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Abhishek Rara
Partner
Membership Number : 077779
UDIN: 25077779BMMKAM8946

Place : New Delhi
Date : May 08, 2025

Annexure A to Independent Auditor's Report

Referred to in paragraph 17(g) of the Independent Auditor's Report of even date to the members of Chambal Fertilisers and Chemicals Limited on the Consolidated Financial Statements for the year ended March 31, 2025

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to Consolidated Financial Statements of Chambal Fertilisers and Chemicals Limited (hereinafter referred to as "the Holding Company") and its subsidiaries, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiaries, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to Financial Statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to 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 Consolidated Financial Statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to 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 with reference to 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 with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Financial Statements to future periods are subject to the risk that the internal financial control with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company and its subsidiaries, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2025, 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 issued by the ICAI.

Other Matters

9. Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements insofar as it relates to two subsidiaries, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

Place : New Delhi
Date : May 08, 2025

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Abhishek Rara
Partner
Membership Number : 077779
UDIN: 25077779BMMKAM8946

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2025

| | | (Rs. in Crore) | |
|--|--------|-------------------------|-------------------------|
| Particulars | Notes | As at March 31, 2025 | As at March 31, 2024 |
| ASSETS | | | |
| Non-Current Assets | | | |
| Property, Plant and Equipment | 3 | 6,203.56 | 6,400.88 |
| Capital Work-in-Progress | 28 & 3 | 649.35 | 183.54 |
| Right-of-Use Assets | 3 & 34 | 14.51 | 18.61 |
| Other Intangible Assets | 4A | 3.12 | 3.15 |
| Intangible Assets under Development | 4B | 0.37 | 0.32 |
| Investments Accounted for Using the Equity Method | 37(A) | 543.95 | 499.13 |
| Financial Assets: | | | |
| i. Investments | 5A | 0.02 | 0.02 |
| ii. Loans | 5B | 0.04 | 0.10 |
| iii. Other Financial Assets | 5C | 3.96 | 4.53 |
| Non-Current Tax Assets (Net) | 41 | 43.69 | 142.67 |
| Other Non-Current Assets | 6 | 322.08 | 166.89 |
| Total Non-Current Assets | | 7,784.65 | 7,419.84 |
| Current Assets | | | |
| Inventories | 7 | 1,802.29 | 1,254.66 |
| Financial Assets: | | | |
| i. Investments | 8A | 828.24 | 1,932.19 |
| ii. Trade Receivables | 8B | 367.92 | 191.56 |
| iii. Cash and Cash Equivalents | 8C | 107.75 | 109.86 |
| iv. Bank Balances other than (iii) above | 8D | 128.57 | 23.03 |
| v. Loans | 8E | 0.02 | 0.03 |
| vi. Other Financial Assets | 8F | 161.01 | 112.72 |
| Current Tax Assets (Net) | 41 | 0.00 | 0.00 |
| Other Current Assets | 9 | 225.74 | 462.05 |
| Assets Classified as Held for Sale | 45 | 0.52 | 3.03 |
| Total Current Assets | | 3,622.06 | 4,089.13 |
| Total Assets | | 11,406.71 | 11,508.97 |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| Equity Share Capital | 10 | 400.65 | 400.65 |
| Other Equity | 10A | 8,327.37 | 6,872.90 |
| Equity attributable to Owners of the Parent Company | | 8,728.02 | 7,273.55 |
| Non-Controlling Interests | 37(B) | (16.03) | (15.49) |
| Total Equity | | 8,711.99 | 7,258.06 |
| LIABILITIES | | | |
| Non-Current Liabilities | | | |
| Financial Liabilities | | | |
| i. Borrowings | 11A | 82.33 | 1,144.22 |
| ii. Lease Liabilities | 34 | 11.48 | 15.42 |
| iii. Other Financial Liabilities | 11B | 2.39 | - |
| Provisions | 12 | 8.40 | 24.73 |
| Deferred Tax Liabilities (Net) | 41 | 1,411.77 | 1,025.78 |
| Other Non-Current Liabilities | 13 | 4.22 | 4.17 |
| Total Non-Current Liabilities | | 1,520.59 | 2,214.32 |
| Current Liabilities | | | |
| Financial Liabilities | | | |
| i. Borrowings | 14A | - | 709.33 |
| ii. Lease Liabilities | 34 | 4.95 | 4.96 |
| iii. Trade Payables | 14B | | |
| a) total outstanding dues of micro enterprises and small enterprises; and | | 31.12 | 31.61 |
| b) total outstanding dues of creditors other than micro enterprises and small enterprises. | | 599.15 | 762.22 |
| iv. Other Financial Liabilities | 14C | 413.16 | 406.27 |
| Other Current Liabilities | 15 | 85.45 | 80.28 |
| Provisions | 16 | 40.30 | 41.92 |
| Total Current Liabilities | | 1,174.13 | 2,036.59 |
| Total Liabilities | | 2,694.72 | 4,250.91 |
| Total Equity and Liabilities | | 11,406.71 | 11,508.97 |

The accompanying notes form an integral part of the Consolidated Financial Statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N / N500016

Abhishek Rara
Partner
Membership No. : 077779

For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited

Rita Menon
Director
DIN: 00064714

Anand Agarwal
Chief Financial Officer

Abhay Bajjal
Managing Director
DIN: 01588087

Tridib Barat
Company Secretary

Place: New Delhi
Date : May 08, 2025

Place: New Delhi
Date : May 08, 2025

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025

| (Rs. in Crore) | | | |
|--|--------|------------------------------|------------------------------|
| Particulars | Notes | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
| Revenue from Operations | 17 | 16,646.20 | 17,966.41 |
| Other Income | 18 | 215.11 | 249.10 |
| Total Income | | 16,861.31 | 18,215.51 |
| Expenses | | | |
| Cost of Materials Consumed | 19 | 6,434.65 | 6,581.95 |
| Purchases of Stock-in-Trade | | 3,426.28 | 4,174.90 |
| Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress | 20 | (544.83) | 145.41 |
| Employee Benefits Expense | 21 | 233.24 | 220.77 |
| Finance Costs | 22 | 48.42 | 173.06 |
| Depreciation and Amortization Expenses | 3 & 4A | 330.15 | 312.79 |
| Other Expenses | 23 | 4,613.39 | 4,800.09 |
| Total Expenses | | 14,541.30 | 16,408.97 |
| Profit before Share of Profit of a Joint Venture and Tax | | 2,320.01 | 1,806.54 |
| Share of Net Profit of a Joint Venture accounted for using the Equity Method | 37(A) | 131.70 | 80.44 |
| Profit Before Tax | | 2,451.71 | 1,886.98 |
| Tax Expense: | | | |
| (1) Current Tax | 41 | 454.68 | 299.25 |
| (2) Tax related to Earlier Years | 41 | (0.09) | 0.00 |
| (3) Deferred Tax | 41 | 347.73 | 311.98 |
| Total Tax Expense | | 802.32 | 611.23 |
| Profit for the Year | | 1,649.39 | 1,275.75 |
| Other Comprehensive Income (OCI) | | | |
| A. (i) Items that will not be re-classified to Profit or Loss: | | | |
| - Re-measurement Gain / (Loss) on Defined Benefit Plans | 31 | 0.58 | (3.11) |
| (ii) Income Tax (Charge) / Credit relating to items that will not be re-classified to Profit or Loss | 41 | (0.84) | 1.09 |
| B. (i) Items that will be re-classified to Profit or Loss: | | | |
| - Exchange Difference Gain on Translation of Foreign Operations | | 50.23 | 14.04 |
| - Effective Portion of Exchange Difference (Loss) on Hedging Instruments | 42 | (1.65) | (34.48) |
| - Effective Portion of Exchange Difference Loss on Hedging Instruments re-classified to Profit or Loss | 42 | 146.98 | 179.53 |
| (ii) Income Tax (Charge) relating to items that will be re-classified to Profit or Loss | 41 | (70.24) | (50.69) |
| OCI for the Year (Net of Tax) | | 125.06 | 106.38 |
| Total Comprehensive Income for the Year (Comprising Profit and Other Comprehensive Income for the Year) | | 1,774.45 | 1,382.13 |
| Profit for the Year attributable to: | | | |
| Owners of the Parent Company | | 1,649.51 | 1,275.80 |
| Non-Controlling Interests | 37(B) | (0.12) | (0.05) |
| Other Comprehensive Income for the Year attributable to: | | | |
| Owners of the Parent Company | | 125.48 | 106.63 |
| Non-Controlling Interests | | (0.42) | (0.25) |
| Total Comprehensive Income for the Year attributable to: | | | |
| Owners of the Parent Company | | 1,774.99 | 1,382.43 |
| Non-Controlling Interests | | (0.54) | (0.30) |
| Earnings per Share attributable to Owners of the Parent Company | | | |
| Earnings per Equity Share: | | 41.17 | 30.84 |
| Basic and Diluted (in Rs.) | 24 | | |

The accompanying notes form an integral part of the Consolidated Financial Statements.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N / N500016

Abhishek Rara
Partner
Membership No.: 077779

Place: New Delhi
Date : May 08, 2025

For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited

Rita Menon
Director
DIN: 00064714

Anand Agarwal
Chief Financial Officer

Place: New Delhi
Date : May 08, 2025

Abhay Bajjal
Managing Director
DIN: 01588087

Tridib Barat
Company Secretary

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025

(Rs. in Crore)

| Sl. No. | Particulars | Notes | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
|-----------|--|--------------------|------------------------------|------------------------------|
| A. | Cash Flow from Operating Activities : | | | |
| | Profit Before Tax | | 2,451.71 | 1,886.98 |
| | Adjustments for : | | | |
| | Depreciation and Amortization Expenses | 3 & 4A | 330.15 | 312.79 |
| | (Gain) on Sale of Current Investments | 18 | (116.85) | (89.32) |
| | Fair Value (Gain) on Financial Assets measured at Fair Value through Profit or Loss | 18 | (28.24) | (68.21) |
| | Reversal of Fair Value Loss on Financial Assets measured at Fair Value through Profit or Loss, recognised in earlier years | 18 | (4.83) | (2.12) |
| | Fair Value Loss on Financial Assets measured at Fair Value through Profit or Loss | 23 | 4.00 | - |
| | Fair Value Loss / (Gain) on Derivatives not Designated as Hedge | 18 & 22 | 7.67 | (9.30) |
| | Un-realised Foreign Exchange Variation (Gain) | | (1.08) | (0.32) |
| | Realised Foreign Exchange Variation Loss | | 1.09 | 8.17 |
| | Effective Portion of Exchange Difference Loss on Hedging Instruments re-classified to Profit or Loss | 42 | 146.98 | 179.53 |
| | Loss on Disposal / Write off of Property, Plant and Equipment (Net) and Right -of -Use Assets | 23 | 17.60 | 3.72 |
| | Allowance for Doubtful Debts and Advances (Net) | 18 & 23 | (3.42) | 2.50 |
| | Inventories written off | 23 | 0.00 | 0.01 |
| | Liabilities no Longer Required Written Back | 18 | (0.09) | (0.36) |
| | Catalyst Charges Written off | 23 | 10.87 | 9.48 |
| | Irrecoverable Balances Written off | 23 | 0.02 | 0.01 |
| | Finance Costs (Interest and Premium) | | 33.69 | 167.12 |
| | Interest (Income) | | (21.03) | (26.29) |
| | Dividend (Income) on Non-Current Investment | 18 | (0.00) | (0.00) |
| | Share of Profit of a Joint Venture | 37(A) | (131.70) | (80.44) |
| | Operating Profit before Working Capital Changes | | 2,696.54 | 2,293.95 |
| | Working Capital Adjustments: | | | |
| | (Increase) / Decrease in Inventories | | (557.02) | 114.62 |
| | (Increase) / Decrease in Trade Receivables | | (176.81) | 1,566.41 |
| | Decrease / (Increase) in Other Financial Assets - Non-Current | | 0.22 | (0.12) |
| | (Increase) / Decrease in Other Financial Assets - Current | | (48.18) | 2.10 |
| | (Increase) / Decrease in Other Assets - Non-Current | | (192.66) | 0.86 |
| | Decrease in Other Assets - Current | | 240.23 | 31.73 |
| | (Decrease) in Trade Payables | | (163.04) | (422.30) |
| | Increase in Other Financial Liabilities - Non Current | | 2.39 | - |
| | (Decrease) / Increase in Other Financial Liabilities - Current | | (7.43) | 48.79 |
| | Increase in Other Liabilities - Non-Current | | 0.05 | 0.97 |
| | Increase in Other Liabilities - Current | | 5.17 | 25.80 |
| | (Decrease) / Increase in Provisions - Non Current | | (15.75) | 2.98 |
| | (Decrease) / Increase in Provisions - Current | | (1.61) | 5.51 |
| | Cash generated from Operations | | 1,782.10 | 3,671.30 |
| | Income Tax Paid (Net of Refunds) | | (388.20) | (344.55) |
| | Net Cash Flow generated from Operating Activities | | 1,393.90 | 3,326.75 |

| | | | | (Rs. in Crore) |
|-----------|--|-------|---------------------------|---------------------------|
| Sl. No. | Particulars | Notes | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
| B. | Cash Flow from Investing Activities | | | |
| | Purchase of Property, Plant and Equipment | | (571.84) | (610.34) |
| | Purchase of Intangible Assets | | (1.11) | (2.46) |
| | (Increase) / Decrease of Intangible Assets under Development | | (0.05) | 0.67 |
| | Proceeds from Disposal / Sale of Property, Plant and Equipment | | 2.75 | 3.33 |
| | Purchase of Current Investments | | (15,585.00) | (13,845.00) |
| | Proceeds from Sale of Current Investments | | 16,834.04 | 13,907.64 |
| | Proceeds from recovery of Fair Value Loss on Financial Assets measured at Fair Value through Profit or Loss, recognised in earlier years | | 0.83 | 2.12 |
| | Interest Received | | 20.72 | 24.46 |
| | Dividend Received | | 0.00 | 0.00 |
| | Distribution Received from Joint Venture | 37(A) | 138.90 | 136.18 |
| | Fixed Deposits (placed) / matured (having original maturity of more than three months) | | (100.17) | 0.92 |
| | Net Cash Flow generated from / (used in) Investing Activities | | 739.07 | (382.48) |
| C. | Cash Flow from Financing Activities | | | |
| | Repayment of Long Term Borrowings | 48 | (1,783.55) | (875.31) |
| | Repayment of Supplier's Credit | 48 | - | (649.82) |
| | Repayment of Lease Liabilities | 48 | (5.65) | (5.68) |
| | Payment towards Buy-back of equity shares including transaction costs and tax on buy-back | | - | (864.83) |
| | Finance Costs paid (Interest and Premium) | | (25.54) | (163.61) |
| | Dividend Paid | | (320.52) | (312.16) |
| | Net Cash Flow (used in) Financing Activities | | (2,135.26) | (2,871.41) |
| | Net (Decrease) / Increase in Cash and Cash Equivalents (A+B+C) | | (2.29) | 72.86 |
| | Foreign Currency Translation Difference | | 0.18 | 0.07 |
| | Cash and Cash Equivalents at the beginning of the Year | | 109.86 | 36.93 |
| | Cash and Cash Equivalents at the end of the Year | | 107.75 | 109.86 |
| | Components of Cash and Cash Equivalents: | | | |
| | Balances with Banks : | | | |
| | - on Current Accounts | | 1.63 | 0.73 |
| | - on Cash Credit Accounts | | 99.00 | 35.76 |
| | - deposits with original maturity of less than three months | | 7.11 | 73.34 |
| | Cash on hand | | 0.01 | 0.03 |
| | Total Cash and Cash Equivalents | 8C | 107.75 | 109.86 |

Note: Cash Flow from operating activities for the year ended on March 31, 2025 is after considering corporate social responsibility expenditure of Rs. 34.09 Crore (Previous Year : Rs. 35.25 Crore).

The accompanying notes form an integral part of the Consolidated Financial Statements.

This is the Consolidated Statement of Cash Flows referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N / N500016

Abhishek Rara
Partner
Membership No. : 077779

For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited

Rita Menon
Director
DIN: 00064714

Anand Agarwal
Chief Financial Officer

Abhay Bajjal
Managing Director
DIN: 01588087

Tridib Barat
Company Secretary

Place: New Delhi
Date : May 08, 2025

Place: New Delhi
Date : May 08, 2025

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025

Chambal Fertilisers and Chemicals Limited

A : Equity Share Capital

Equity shares of Rs.10 each issued, subscribed and fully paid (refer note 10)

(Rs. in Crore)

| As at March 31, 2025 | Balance as at April 01, 2024 | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance as at March 31, 2025 |
|----------------------|------------------------------|--|---|---|------------------------------|
| | 400.65 | - | - | - | 400.65 |

(Rs. in Crore)

| As at March 31, 2024 | Balance as at April 01, 2023 | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year* | Balance as at March 31, 2024 |
|----------------------|------------------------------|--|---|--|------------------------------|
| | 416.21 | - | - | (15.56) | 400.65 |

* 1,55,55,555 equity shares of Rs. 10 each bought back during the previous year.

B : Other Equity

For the Year Ended March 31, 2025

(Rs. in Crore)

| Particulars | Attributable to the Equity Holders of the Parent Company | | | | | | | | | | | | | Non-Controlling Interests | Total |
|--|--|----------------------------------|-----------------|--------------------|----------------------------|-----------------|---|--|----------------------------------|-------------------|--|---------------------------|--------------------|---------------------------|----------|
| | Reserves and Surplus | | | | | | | | | | Items of Other Comprehensive Income | | Total Other Equity | | |
| | Treasury Shares | Loss on Treasury Shares acquired | Capital Reserve | Securities Premium | Capital Redemption Reserve | General Reserve | Tonnage Tax Reserve under Section 115VT of the Income Tax Act, 1961 | Tonnage Tax Reserve (utilised) Account under Section 115VT of the Income Tax Act, 1961 | Share Option Outstanding Account | Retained Earnings | Exchange Difference on Translation of Foreign Operations | Cash Flow Hedging Reserve | | | |
| Balance as at April 01, 2024 | - | - | 0.21 | - | 15.81 | 734.26 | 0.50 | 42.25 | - | 6,328.41 | (24.50) | (224.04) | 6,872.90 | (15.49) | 6,857.41 |
| Profit for the Year | - | - | - | - | - | - | - | - | - | 1,649.51 | - | - | 1,649.51 | (0.12) | 1,649.39 |
| Other Comprehensive Income (Net of Tax): | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| - Re-measurement (Loss) on Defined Benefit Plans | - | - | - | - | - | - | - | - | - | (0.26) | - | - | (0.26) | - | (0.26) |
| - Exchange Difference on Translation of Foreign Operations | - | - | - | - | - | - | - | - | - | - | 50.65 | - | 50.65 | (0.42) | 50.23 |
| - Effective Portion of Exchange Difference on Hedging Instruments | - | - | - | - | - | - | - | - | - | - | - | 75.09 | 75.09 | - | 75.09 |
| Total Comprehensive Income for the Year | - | - | - | - | - | - | - | - | - | 1,649.25 | 50.65 | 75.09 | 1,774.99 | (0.54) | 1,774.45 |
| Cash Dividends (refer note 44) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Buy-back of Equity Shares | - | - | - | - | - | - | - | - | - | (320.52) | - | - | (320.52) | - | (320.52) |
| Tax on Buy-back of Equity Shares | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transaction Costs towards Buy-back of Equity Shares | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Amount transferred to Capital Redemption Reserve upon Buyback of Equity Shares | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Exercise of Share Options | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfer to Retained Earnings | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Any Other Change | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Balance as at March 31, 2025 | - | - | 0.21 | - | 15.81 | 734.26 | 0.50 | 42.25 | - | 7,657.14 | 26.15 | (148.95) | 8,327.37 | (16.03) | 8,311.34 |

For the Year Ended March 31, 2024

(Rs. in Crore)

| Particulars | Attributable to the Equity Holders of the Parent Company | | | | | | | | | | | | Non-Controlling Interests | Total | |
|--|--|----------------------------------|-----------------|--------------------|----------------------------|-----------------|---|--|----------------------------------|-------------------|--|---------------------------|---------------------------|---------|--------------------|
| | Reserves and Surplus | | | | | | | | | | Items of Other Comprehensive Income | | | | Total Other Equity |
| | Treasury Shares | Loss on Treasury Shares acquired | Capital Reserve | Securities Premium | Capital Redemption Reserve | General Reserve | Tonnage Tax Reserve under Section 115VT of the Income Tax Act, 1961 | Tonnage Tax Reserve (utilised) Account under Section 115VT of the Income Tax Act, 1961 | Share Option Outstanding Account | Retained Earnings | Exchange Difference on Translation of Foreign Operations | Cash Flow Hedging Reserve | | | |
| Balance as at April 01, 2023 | (0.57) | (2.14) | 0.21 | 6.42 | 0.25 | 734.26 | 0.50 | 42.25 | 2.64 | 6,225.27 | (38.79) | (318.40) | 6,651.90 | (15.19) | 6,636.71 |
| Profit for the Year | - | - | - | - | - | - | - | - | - | 1,275.80 | - | - | 1,275.80 | (0.05) | 1,275.75 |
| Other Comprehensive Income (Net of Tax): | | | | | | | | | | | | | | | |
| - Re-measurement (Loss) on Defined Benefit Plans | - | - | - | - | - | - | - | - | - | (2.02) | - | - | (2.02) | - | (2.02) |
| - Exchange Difference on Translation of Foreign Operations | - | - | - | - | - | - | - | - | - | - | 14.29 | - | 14.29 | (0.25) | 14.04 |
| - Effective portion of Exchange Difference on Hedging Instruments | - | - | - | - | - | - | - | - | - | - | - | 94.36 | 94.36 | - | 94.36 |
| Total Comprehensive Income for the Year | - | - | - | - | - | - | - | - | - | 1,273.78 | 14.29 | 94.36 | 1,382.43 | (0.30) | 1,382.13 |
| Cash Dividends (refer note 44) | - | - | - | - | - | - | - | - | - | (312.16) | - | - | (312.16) | - | (312.16) |
| Buy-back of Equity Shares | - | - | - | (6.42) | - | - | - | - | - | (678.03) | - | - | (684.45) | - | (684.45) |
| Tax on Buy-back of Equity Shares | - | - | - | - | - | - | - | - | - | (159.45) | - | - | (159.45) | - | (159.45) |
| Transaction Costs towards Buy-back of Equity Shares | - | - | - | - | - | - | - | - | - | (5.37) | - | - | (5.37) | - | (5.37) |
| Amount transferred to Capital Redemption Reserve upon Buyback of Equity Shares | - | - | - | - | 15.56 | - | - | - | - | (15.56) | - | - | - | - | - |
| Exercise of Share Options | 0.57 | (0.06) | - | - | - | - | - | - | - | - | - | - | 0.51 | - | 0.51 |
| Transfer to Retained Earning | - | 2.20 | - | - | - | - | - | - | (2.64) | 0.44 | - | - | - | - | - |
| Any Other Change (refer note below) | - | - | - | - | - | - | - | - | - | (0.51) | - | - | (0.51) | - | (0.51) |
| Balance as at March 31, 2024 | - | - | 0.21 | - | 15.81 | 734.26 | 0.50 | 42.25 | - | 6,328.41 | (24.50) | (224.04) | 6,872.90 | (15.49) | 6,857.41 |

Note: Any other change in retained earnings represents dividend on treasury shares and net results of ESOP trust operations.

The accompanying notes form an integral part of the Consolidated Financial Statements.

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N / N500016

Abhishek Rara
Partner
Membership No. : 077779

For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited

Rita Menon
Director
DIN: 00064714
Anand Agarwal
Chief Financial Officer

Abhay Bajjal
Managing Director
DIN: 01588087

Tridib Barot
Company Secretary

Place : New Delhi
Date : May 08, 2025

Place : New Delhi
Date : May 08, 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 Chambal Fertilisers and Chemicals Limited (the Parent Company), its subsidiaries (collectively, the Group) and joint venture for the year ended March 31, 2025. The Parent Company is a public company domiciled in India and has been incorporated under the provisions of the Companies Act, 1956 having a CIN: L24124RJ1985PLC003293. Its equity shares are listed on two recognised stock exchanges in India. The registered office of the Parent Company is located at Gadepan, District Kota, Rajasthan, PIN-325208.

The Parent Company is engaged in production of Urea and has three Urea plants. Apart from manufacture of Urea, the Parent Company also deals in other fertilisers and Agri-inputs. The Parent Company has a joint venture which is in manufacturing of Phosphoric Acid in Morocco.

These consolidated financial statements were authorised for issuance by the Board of Directors of the Parent Company at its meeting held on May 08, 2025.

2.1 Basis of Preparation

These Consolidated Financial Statements (CFS) of the Group have been prepared in accordance with Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 ("the Act") and other relevant rules and provisions of the Act, as applicable.

The consolidated financial statements have been prepared on an accrual basis and under the historical cost basis, except for the following material items those have been measured at fair value as required by relevant Ind AS:

- Derivative financial instruments;
- Certain financial assets and liabilities measured at fair value;
- Defined benefit plans and other long-term employee benefits; and
- Investment in debt instruments (i.e. preference shares).

During the current financial year one of the downstream subsidiary namely ISG Corporation whose accounts are being prepared on liquidation basis.

The consolidated financial statements of the Group are presented in Indian Rupees (Rs.) and all values are presented in Crore, except when otherwise indicated.

The transactions and balances with values below rounding off norm adopted by the Group have been reflected as 0.00 in the financial statements.

Assets and Liabilities in the balance sheet have been classified as either current or non-current, except the following basis the normal operating cycle of the Company. Operating cycle of the Company is determined as 12 months.

- Deferred tax assets and liabilities are classified as non-current assets and liabilities.
- Leave encashment as the Company does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

New and amended standards adopted by the Group.

The Ministry of Corporate Affairs vide notification dated 9 September 2024 and 28 September 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/ notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1 April 2024.

- Insurance contracts - Ind AS 117; and
- Lease Liability in Sale and Leaseback – Amendments to Ind AS 116

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2.2 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Parent Company, its subsidiaries and joint venture. (Refer Note 46) Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

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 all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company, i.e. year ended on March 31. Further, subsidiaries which are liquidated/under liquidation are consolidated till the Group was having the control over the subsidiaries.

Consolidation Procedure:

- a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent Company with those of its subsidiaries.
- b) Offset (eliminate) the carrying amount of the Parent's investment in each subsidiary and the Parent's portion of equity of each subsidiary.
- c) Eliminate in full intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intra-group 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 or losses resulting from intra-group transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

The accumulated loss attributable to non-controlling interests in excess of their equity on the date of transition to Ind AS has been restricted to zero in accordance with Ind AS 101.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary and any related non-controlling interests and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognized in profit or loss.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Balance Sheet.

2.3 (a) Investment in Joint Venture

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. 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 joint venture are accounted for using the equity method. Under the equity method, the investment in a joint venture 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 joint venture since the acquisition date.

The Statement of Profit and Loss reflects the Group's share of the results of operations of the joint venture. Any change in other comprehensive income (OCI) of the investee is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, 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 joint venture are eliminated to the extent of the interest in the joint venture.

Dividends received or receivable from joint venture are recognised as a reduction in the carrying amount of the investment.

If an entity's share of losses of a joint venture equals or exceeds its interest in the joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the joint venture), 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 joint venture. If the joint venture 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 aggregate of the Group's share of profit or loss of a joint venture is shown on the face of the Statement of Profit and Loss.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognises the loss as 'Share of profit of a joint venture' in the Statement of Profit and Loss.

2.3 (b) Foreign Currency Translation

(i) Functional and Presentation Currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Group's consolidated financial statements are presented in Indian Rupees (Rs.), which is Parent Company's functional and presentation currency.

(ii) Initial Recognition

Transactions in foreign currencies are recorded in the functional currency, by applying to the foreign currency amount, the exchange rate between the functional currency and the foreign currency at the date of the transaction.

(iii) Conversion

Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Non-monetary items that are measured in terms of historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items, measured at fair value denominated in a foreign currency are translated using the exchange rates that existed when the fair value was determined.

(iv) Exchange Differences

Exchange differences arising on settlement or translation of monetary items are recognised in the consolidated Statement of Profit and Loss.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income (OCI), or profit and loss are also recognised in OCI or profit and loss, respectively).

(v) Translation of Foreign Operations

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet including comparatives are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each Statement of Profit and Loss including comparatives are translated at average exchange rates; and
- (iii) all resulting exchange differences have been recognised in other comprehensive income.

On disposal of foreign operations, the associated exchange differences are re-classified to profit or loss, as part of the gain or loss on disposal.

Goodwill arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the exchange rate in effect at the balance sheet date.

Cumulative currency translation differences for all foreign operations were deemed to be zero at the date of transition to Ind AS, viz, April 01, 2015. Gain or loss on subsequent disposal of any foreign operations excludes translation differences that arose before the date of transition but includes only translation differences arising after the date of transition.

2.3 (c) Treasury Shares

The Parent Company has created CFCL Employees Welfare Trust ('ESOP Trust') for providing share-based payment to the employees of the Parent Company. The ESOP Trust is used as a vehicle for distributing shares to employees under the Employees Stock Option Scheme. The ESOP Trust has bought shares of the Parent Company from the market, for giving shares to employees. The ESOP Trust is treated as its extension and shares held by ESOP Trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) have been recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue, or cancellation of the Parent Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during any reporting period are satisfied with treasury shares.

2.3 (d) Material Accounting policies

The material accounting policies used in preparation of the consolidated financial statements have been included in the relevant notes to the consolidated financial statements.

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2025

Note 3 : Property, Plant and Equipment and Right-of-Use-Assets

Accounting policy

Property, Plant and Equipment (PPE) are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, including import duties and non-refundable purchase taxes, borrowing costs if recognition criteria are met and any directly attributable cost of bringing the asset to its working condition for the intended use. 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 Group and the cost of the item can be measured reliably. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Group 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 PPE are capitalized at cost. Otherwise, such items are classified as inventories.

Catalysts which are used in commissioning of new plant are capitalized and are amortized based on the estimated useful life as technically assessed. Subsequent issues of catalysts, if any, are treated as inventory.

Gains or losses arising from derecognition of the assets 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 and Loss when the asset is derecognized.

Depreciation on PPE is calculated using the straight-line method to allocate their cost, net of their residual values, over their useful lives estimated by the management based on technical evaluation which are equal to the useful life prescribed under Schedule II to the Companies Act, 2013, other than the cases as mentioned in table below from S.No. (i) to (vi) where the useful lives are different from those prescribed in Schedule II to the Companies Act, 2013. 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 used. A major portion of the plant and equipment of the Parent Company has been considered as continuous process plant.

The estimated useful lives of assets are as follows:

| S. No. | Assets | Useful lives |
|--------|--|--|
| (i) | - Leasehold Land - Leasehold Improvements - Assets under finance lease - Right -of-Use Assets | Amortised over 99 Years Ranging from 3 to 15 Years Ranging from 3 to 9 Years Over the life of lease period. (These assets are amortised over the period of respective leases or useful lives of assets, whichever is lower.) |
| (ii) | Plant and Equipment | Over their useful lives ranging from 1 to 35 years. |
| (iii) | Insurance / Capital / Critical Stores and Spares | Over the remaining useful life of related plant and equipment or useful life of insurance / capital / critical spare part, whichever is lower. |
| (iv) | Vehicles | Depreciated over 5 years. After the expiry of 5 years, the vehicle gets normally replaced. |
| (v) | Railway Siding | 30 years based on technical evaluation that the railway siding is currently in use. |
| (vi) | Building (other than factory building) and Reinforced Cement Concrete Frame Structure | Over their useful lives ranging from 10 to 60 years. |

Assets costing below Rs. 5,000 are depreciated in the year of purchase.

The residual values, useful lives, and methods of depreciation of PPE and Right-of-Use Assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

For Accounting policy of Right -of -Use Assets, refer note 34.

(Rs. in Crore)

| Particulars | Own Assets | | | | | | | | | | | | Right-of-Use Assets (refer note 34) |
|-----------------------------|---------------|----------------|---------------|------------------------|---|----------------|---------------------|-------------------|------------------|------------------------|--------------|-----------------|-------------------------------------|
| | Land-Freehold | Land-Leasehold | Buildings | Leasehold Improvements | Leasehold Improvements (on Finance Lease) | Railway Siding | Plant and Equipment | Factory Equipment | Office Equipment | Furniture and Fittings | Vehicles | Total | |
| Gross Book Value | | | | | | | | | | | | | |
| As at April 01, 2023 | 7.81 | 4.30 | 804.21 | 0.22 | 1.08 | 13.66 | 6,741.92 | 27.36 | 31.97 | 7.89 | 22.51 | 7,662.93 | 39.16 |
| Additions | 0.01 | - | 33.06 | - | - | 0.08 | 422.01 | 13.03 | 4.41 | 1.28 | 3.53 | 477.41 | 2.05 |
| Deletions | - | - | - | - | - | - | (23.24) | (0.18) | (1.15) | (0.02) | (2.35) | (26.94) | - |
| As at March 31, 2024 | 7.82 | 4.30 | 837.27 | 0.22 | 1.08 | 13.74 | 7,140.69 | 40.21 | 35.23 | 9.15 | 23.69 | 8,113.40 | 41.21 |
| Additions | 0.97 | - | 28.63 | - | - | - | 103.18 | 0.02 | 6.35 | 1.73 | 3.73 | 144.61 | 1.72 |
| Deletions | - | - | (0.39) | (0.01) | - | (0.03) | (31.75) | (0.29) | (1.71) | (0.07) | (1.79) | (36.04) | (1.52) |
| As at March 31, 2025 | 8.79 | 4.30 | 865.51 | 0.21 | 1.08 | 13.71 | 7,212.12 | 39.94 | 39.87 | 10.81 | 25.63 | 8,221.97 | 41.41 |
| Depreciation | | | | | | | | | | | | | |
| As at April 01, 2023 | - | 0.44 | 121.96 | 0.15 | 0.93 | 2.13 | 1,254.17 | 10.06 | 21.99 | 3.12 | 8.57 | 1,423.52 | 17.56 |
| Charge for the Year | - | 0.06 | 27.32 | 0.01 | - | 0.53 | 268.35 | 2.23 | 3.72 | 0.69 | 4.15 | 307.06 | 5.04 |
| Deletions | - | - | - | - | - | - | (14.89) | (0.08) | (1.05) | (0.02) | (2.02) | (18.06) | - |
| As at March 31, 2024 | - | 0.50 | 149.28 | 0.16 | 0.93 | 2.66 | 1,507.63 | 12.21 | 24.66 | 3.79 | 10.70 | 1,712.52 | 22.60 |
| Charge for the Year | - | 0.06 | 28.58 | - | - | 0.53 | 282.71 | 2.50 | 4.42 | 0.83 | 4.47 | 324.10 | 4.92 |
| Deletions | - | - | (0.35) | (0.00) | - | - | (14.44) | (0.15) | (1.58) | (0.06) | (1.63) | (18.21) | (0.62) |
| As at March 31, 2025 | - | 0.56 | 177.51 | 0.16 | 0.93 | 3.19 | 1,775.90 | 14.56 | 27.50 | 4.56 | 13.54 | 2,018.41 | 26.90 |
| Net Book Value | | | | | | | | | | | | | |
| As at March 31, 2024 | 7.82 | 3.80 | 687.99 | 0.06 | 0.15 | 11.08 | 5,633.06 | 28.00 | 10.57 | 5.36 | 12.99 | 6,400.88 | 18.61 |
| As at March 31, 2025 | 8.79 | 3.74 | 688.00 | 0.05 | 0.15 | 10.52 | 5,436.22 | 25.38 | 12.37 | 6.25 | 12.09 | 6,203.56 | 14.51 |

Footnotes:

- Freehold land having carrying value of Rs. 0.01 Crore (Previous Year : Rs. 0.01 Crore) and Leasehold land having carrying value of Rs. 0.33 Crore (Previous Year : Rs. 0.34 Crore) are yet to be registered in the Parent Company's name.
- The carrying value of Buildings includes Rs. 0.00 Crore (Previous Year : Rs. 0.00 Crore) representing undivided share in assets jointly owned with others.
- Deletions from Plant and Equipment includes Plant and Equipment having gross block of Rs. 3.94 Crore (Previous Year: Rs. 11.71 Crore) and Vehicles having gross block of Rs. 0.37 Crore (Previous Year: Rs. 0.00 Crore) and Accumulated Depreciation of Plant and Equipment of Rs. 1.46 Crore (Previous Year: Rs. 6.33 Crore) and Vehicles of Rs. 0.35 Crore (Previous Year: Rs. 0.00 Crore) transferred to "Assets held for sale" (refer note 45).
- Leasehold Improvements (on Finance Lease) had been fully depreciated in earlier years and are carried at residual value.
- Capital Work-in-Progress of Rs. 649.35 Crore (Previous Year : Rs. 183.54 Crore) primarily represents capital expenditure comprising direct costs, related incidental expenditure and borrowing costs majorly in respect of Technical Ammonium Nitrate Project and other Plant and Equipment & Buildings.

Capital Work-in-Progress ("CWIP")
As at March 31, 2025
(a) Ageing Schedule

(Rs. in Crore)

| CWIP | Amount in CWIP for a period of | | | | Total |
|----------------------|--------------------------------|-----------|-----------|-------------------|--------|
| | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| Projects in Progress | 513.73 | 131.68 | 3.94 | - | 649.35 |

As at March 31, 2024
(a) Ageing Schedule

(Rs. in Crore)

| CWIP | Amount in CWIP for a period of | | | | Total |
|----------------------|--------------------------------|-----------|-----------|-------------------|--------|
| | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| Projects in Progress | 176.25 | 7.29 | - | - | 183.54 |

Note: There are no projects as at March 31, 2025 and March 31, 2024 whose completion is overdue or has exceeded its cost compared to its original plan.

Note 4A : Other Intangible Assets

Accounting policy

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets with finite lives are amortised on a straight line basis over the estimated useful economic life.

Software is acquired intangible asset.

Management of the Group assessed the useful life of software as finite and cost of software is amortized over its estimated useful life of five years on straight line basis.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with Ind AS-8 "Accounting Policies, Changes in Accounting Estimates and Errors".

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 and Loss when the asset is derecognized.

(Rs. in Crore)

| Particulars | Goodwill on Consolidation | Total Goodwill | Other Intangible Assets | Total Other Intangible Assets |
|-----------------------------|---------------------------|----------------|-------------------------|-------------------------------|
| Gross Book Value | | | | |
| As at April 01, 2023 | 207.83 | 207.83 | 9.66 | 9.66 |
| Additions | - | - | 2.46 | 2.46 |
| Deletions | - | - | - | - |
| As at March 31, 2024 | 207.83 | 207.83 | 12.12 | 12.12 |
| Additions | - | - | 1.11 | 1.11 |
| Deletions | - | - | (1.04) | (1.04) |
| As at March 31, 2025 | 207.83 | 207.83 | 12.19 | 12.19 |
| Amortization | | | | |
| As at April 01, 2023 | 207.83 | 207.83 | 8.28 | 8.28 |
| Charge for the year | - | - | 0.69 | 0.69 |
| Deletions | - | - | - | - |
| As at March 31, 2024 | 207.83 | 207.83 | 8.97 | 8.97 |
| Charge for the year | - | - | 1.13 | 1.13 |
| Deletions | - | - | (1.03) | (1.03) |
| As at March 31, 2025 | 207.83 | 207.83 | 9.07 | 9.07 |
| Net Book Value | | | | |
| As at March 31, 2024 | - | - | 3.15 | 3.15 |
| As at March 31, 2025 | - | - | 3.12 | 3.12 |

Note 4B : Intangible Assets Under Development

Intangible assets under development of Rs. 0.37 Crore represents Mobile Application for Farmers and Plant logbook automation (Previous Year : Rs. 0.32 Crore represents Digital Intervention Mobile Application).

Intangible assets under development ageing schedule

As at March 31, 2025

(Rs. in Crore)

| Intangible Assets under Development | Amount in Intangible Assets under Development for a period of | | | | Total |
|-------------------------------------|---|-----------|-----------|-------------------|-------------|
| | Less than 1 year | 1-2 Years | 2-3 Years | More than 3 Years | |
| Projects in progress | 0.37 | - | - | - | 0.37 |
| Total | 0.37 | - | - | - | 0.37 |

As at March 31, 2024

(Rs. in Crore)

| Intangible Assets under Development | Amount in Intangible Assets under Development for a period of | | | | Total |
|-------------------------------------|---|-----------|-----------|-------------------|-------------|
| | Less than 1 year | 1-2 Years | 2-3 Years | More than 3 Years | |
| Projects in progress | 0.32 | - | - | - | 0.32 |
| Total | 0.32 | - | - | - | 0.32 |

Note: There are no projects as at March 31, 2025 and March 31, 2024 whose completion is overdue or has exceeded its cost compared to its original plan.

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Non-Current Financial Assets | | |
| Note 5A : Non-Current Investments | | |
| For Accounting policy refer note 40 | | |
| A. Investment carried at Fair Value through Profit or Loss | | |
| Equity Instruments (Unquoted) | | |
| - 20,000 (Previous Year: 20,000) equity shares of Rs.10 each fully paid up in Shivalik Solid Waste Management Limited | 0.02 | 0.02 |
| - 2,180 (Previous Year: 2,180) equity shares of Rs.10 each fully paid up in Woodlands Multispeciality Hospital Limited | 0.00 | 0.00 |
| B. Investment carried at Amortised Cost | | |
| Government Securities (Unquoted) | | |
| - 6 Year National Savings Certificates VIII Issue (lodged with Government Authorities) | 0.00 | 0.00 |
| - Indira Vikas Patra | 0.00 | 0.00 |
| | 0.02 | 0.02 |
| Aggregate amount of Unquoted Investments | 0.02 | 0.02 |
| Aggregate amount of impairment in the value of investments | - | - |
| Note 5B : Non Current Loans | | |
| Loans to Employees: | | |
| (a) Loans Receivables Considered Good - Secured | - | - |
| (b) Loans Receivables Considered Good - Unsecured | 0.04 | 0.10 |
| (c) Loans Receivables which have significant increase in Credit Risk | - | - |
| (d) Loans Receivables credit impaired | - | - |
| | 0.04 | 0.10 |
| Less: Loss Allowance | - | - |
| Total Loans (Net of Allowance) | 0.04 | 0.10 |
| There are no loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties in current and previous year. | | |
| Note 5C : Other Non Current Financial Assets | | |
| (Unsecured, Considered Good) | | |
| Security Deposits | 3.71 | 3.87 |
| Deposit with Banks having maturity more than 12 months (refer note 8D) | 0.25 | 0.66 |
| | 3.96 | 4.53 |
| Note 6 : Other Non Current Assets | | |
| (Unsecured, Considered Good) | | |
| Capital Advances | 122.84 | 158.76 |
| Balances with Statutory / Government Authorities | 195.73 | 2.29 |
| Catalysts in use (valued based on life technically assessed) | 4.68 | 6.16 |
| Prepaid Expenses | 1.19 | 1.97 |
| | 324.44 | 169.18 |
| Less: Loss Allowance | 2.36 | 2.29 |
| | 322.08 | 166.89 |

Note 7 : Inventories**Accounting Policy**

Inventories are valued as follows:

| | |
|---|---|
| Raw Materials, Packing Materials, Other Stores and Spares | Lower of cost and net realisable value. However, materials and other items held for use in the production of finished goods are not written down below cost if the finished products in which they will be used are expected to be sold at or above cost. Cost is determined on a weighted average basis. |
| Work in Process and Finished Goods | Lower of cost and net realisable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average basis. |
| Traded Products | Lower of cost and net realisable value. Cost is determined on weighted average basis. |
| Spares and Lubricants* | Lower cost and net realisable value. Cost is determined on weighted average basis. |
| Catalyst in Use | Based on amortized cost and consumption over the period based on technical assessment of life ranging from two to twenty years. |
| Loose Tools | At depreciated cost arrived at on the basis of amortization over a period of three years. |

* Included under the inventory of stores and spares.

Cost includes the necessary cost incurred in bringing inventory to its present location and condition necessary for use.

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.

Inventories consist of the following:

| (Rs. in Crore) | | |
|---|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Raw Materials | 1.48 | 1.66 |
| Work-in-Progress | 12.57 | 14.98 |
| Finished Goods {including in transit- Rs. 42.00 Crore (Previous Year: Rs. 65.30 Crore)} | 477.76 | 519.42 |
| Traded Goods {including in transit- Rs. 260.45 Crore (Previous Year: Rs. 64.53 Crore)} | 1,125.68 | 536.78 |
| Stores and Spares {including in transit- Nil (Previous Year: Rs. 0.71 Crore)} | 124.70 | 114.92 |
| Loose Tools | 0.12 | 0.16 |
| Catalysts in use (valued based on life technically assessed) | 47.75 | 56.27 |
| Packing Materials | 12.23 | 10.47 |
| | 1,802.29 | 1,254.66 |

| (Rs. in Crore) | | |
|--|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Current Financial Assets | | |
| Note 8A : Current Investments | | |
| For Accounting policy refer note 40 | | |
| Investment carried at Fair value through Profit or Loss | | |
| Unquoted | | |
| Investment in Mutual Funds | | |
| Nil (Previous Year: 16,63,644.60) units in Axis Liquid Fund - Direct Growth | - | 446.47 |
| 14,60,090.88 (Previous Year: Nil) units in Axis Money Market Fund Direct Growth (MMDGG) | 206.74 | - |
| 3,49,873.55 (Previous Year: Nil) units in Kotak Money Market Fund - (Growth) - Direct | 155.53 | - |
| Nil (Previous Year: 12,63,411.09) units in ICICI Prudential Liquid Fund - Direct Plan Growth | - | 45.16 |
| Nil (Previous Year: 6,67,880.32) units in Nippon India Liquid Fund - Direct Plan - Growth Plan - Growth Option | - | 394.65 |
| 2,51,534.61 (Previous Year: Nil) units in Nippon India Money Market Fund - Direct Plan Growth Plan - Growth Option | 103.68 | - |
| Nil (Previous Year: 12,06,039.02) units in SBI Liquid Fund Direct Growth | - | 455.79 |
| Nil (Previous Year: 3,86,031.90) units in DSP Liquidity Fund - Direct Plan - Growth | - | 133.23 |

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| 5,08,261.49 (Previous Year: 6,86,199.13) units in UTI Liquid fund - Direct Plan - Growth | 155.56 | 271.60 |
| Nil (Previous Year: 6,35,135.95) units in Bandhan Liquid Fund - Growth - Direct Plan | - | 185.29 |
| 56,22,538.42 (Previous Year: Nil) units in Aditya Birla Sun Life Money Manager Fund - Dir - Growth | 206.73 | - |
| Total Investment in Mutual Funds | 828.24 | 1,932.19 |
| Investment in Bonds | | |
| 320 (Previous Year: 320), 9.45% Corporate Bonds of Rs.10,00,000 each in IL&FS Transportation Networks Limited # | - | - |
| Total Unquoted Investment | 828.24 | 1,932.19 |
| Quoted | | |
| Investment in InvIT Units | | |
| 4,00,000 (Previous Year: Nil), InvIT Unit of Rs.100 each in Roadstar Infra Investment Trust | - | - |
| Total Quoted Investment | - | - |
| Aggregate amount of Unquoted Investments | 828.24 | 1,932.19 |
| Add: Reversal of Fair Value Loss on Investment measured at Fair value through Profit or Loss recognised in earlier years | 4.83 | 2.12 |
| Less: 4,00,000 quoted InvIT units allotted as part of interim distribution | (4.00) | - |
| Less: Amount received | (0.83) | (2.12) |
| Total aggregate amount of Unquoted Investments | 828.24 | 1,932.19 |
| Aggregate amount of Quoted Investments | - | - |
| Add: 4,00,000 InvIT units allotted as part of interim distribution | 4.00 | - |
| Less: Fair Value Loss on Investment carried at Fair Value through Profit or Loss | (4.00) | - |
| Total aggregate amount of Quoted Investments | - | - |
| Total Current Investments | 828.24 | 1,932.19 |
| Aggregate amount of impairment in value of investment | 4.00 | - |

Fair Value Loss had been recognised for the total 320 Corporate Bonds valued Rs. 32.00 Crore during the earlier years. Subsequently, an amount of Rs. 6.95 Crore have been recovered till now, accordingly, the fair value loss to the extent of recovery has been reversed which includes an allotment of 4,00,000 InvIT units allotted as part of interim distribution valuing Rs. 4.00 Crore, on which, further fair value loss of Rs. 4.00 Crore has been recognized due to lack of marketability of the units during the year.

Note 8B : Trade Receivables

Accounting Policy

The Group recognises an allowance for expected credit losses (ECLs) for assets carried at amortised cost and FVOCI debt instruments. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the trade receivables and the economic environment. For debt instruments at fair value through OCI, the Group applies the low credit risk simplification.

Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group fulfils its performance obligation 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

A receivable represents the Group'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).

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Trade Receivables consist of the following: | | |
| Trade Receivables Considered Good - Secured | 51.23 | 24.01 |
| Trade Receivables Considered Good - Unsecured (including subsidy receivable from Government of India- Rs. 265.45 Crore (Previous Year: Rs.133.14 Crore)) | 316.69 | 167.55 |
| Trade Receivables which have significant increase in credit risk | - | - |
| Trade Receivables credit impaired (including subsidy receivable from Government of India- Rs. 2.90 Crore (Previous Year : Rs. 2.90 Crore)) | 4.05 | 19.01 |
| | 371.97 | 210.57 |
| Less: Loss Allowance | 4.05 | 19.01 |
| Total Trade Receivables (Net of Loss Allowance) | 367.92 | 191.56 |

Trade Receivables Ageing Schedule**As at March 31, 2025**

(Rs. in Crore)

| S No. | Particulars | Not Due* | Outstanding for following periods from due date of payment | | | | | Total |
|--------|---|-----------------|--|-------------------|-------------|-------------|-------------------|---------------|
| | | | Less than 6 months | 6 months - 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| (i) | Undisputed Trade receivables – considered good - Secured | 48.41 | 2.63 | 0.03 | 0.03 | - | 0.13 | 51.23 |
| (ii) | Undisputed Trade receivables – considered good - Unsecured | (206.83) | 509.16 | 10.63 | 0.00 | 3.73 | - | 316.69 |
| (iii) | Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iv) | Undisputed Trade Receivables – credit impaired | 0.61 | 0.54 | 0.02 | 0.00 | 0.00 | 2.29 | 3.46 |
| (v) | Disputed Trade receivables – considered good - Secured | - | - | - | - | - | - | - |
| (vi) | Disputed Trade receivables – considered good - Unsecured | - | - | - | - | - | - | - |
| (vii) | Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (viii) | Disputed Trade Receivables – credit impaired | - | - | - | 0.05 | 0.03 | 0.51 | 0.59 |
| | Total | (157.81) | 512.33 | 10.68 | 0.08 | 3.76 | 2.93 | 371.98 |

*The figures in brackets represent the amount payable towards De-escalation of Subsidy

As at March 31, 2024

(Rs. in Crore)

| S No. | Particulars | Not Due | Outstanding for following periods from due date of payment | | | | | Total |
|--------|---|--------------|--|-------------------|-------------|-------------|-------------------|---------------|
| | | | Less than 6 months | 6 months - 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| (i) | Undisputed Trade receivables – considered good - Secured | 18.43 | 4.67 | 0.02 | 0.02 | - | 0.87 | 24.01 |
| (ii) | Undisputed Trade receivables – considered good - Unsecured | 68.50 | 94.67 | 0.02 | 4.14 | - | 0.22 | 167.55 |
| (iii) | Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iv) | Undisputed Trade Receivables – credit impaired | 0.61 | 0.08 | 0.02 | 0.04 | - | 2.29 | 3.04 |
| (v) | Disputed Trade receivables – considered good - Secured | - | - | - | - | - | - | - |
| (vi) | Disputed Trade receivables – considered good - Unsecured | - | - | - | - | - | - | - |
| (vii) | Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (viii) | Disputed Trade Receivables – credit impaired | - | - | - | - | 0.34 | 15.63 | 15.97 |
| | Total | 87.54 | 99.42 | 0.06 | 4.20 | 0.34 | 19.01 | 210.57 |

| (Rs. in Crore) | | |
|--|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Note 8C : Cash and Cash Equivalents | | |
| Balances with Banks: | | |
| On Current Accounts | 1.63 | 0.73 |
| On Cash Credit Accounts | 99.00 | 35.76 |
| Deposits with original maturity of less than 3 months | 7.11 | 73.34 |
| Cash on hand | 0.01 | 0.03 |
| | 107.75 | 109.86 |
| There is no repatriation restrictions on cash and cash equivalents. | | |
| Note 8D : Bank Balances Other than 8C above | | |
| On Unpaid Dividend Accounts | 24.21 | 19.25 |
| Deposits with original maturity of more than 3 months but less than 12 months | 104.36 | 3.78 |
| Deposits with remaining maturity for more than 12 months * | 0.25 | 0.66 |
| | 128.82 | 23.69 |
| Less: Deposits with remaining maturity of more than 12 months disclosed under 'other non current financial assets' (refer note 5C) | 0.25 | 0.66 |
| | 128.57 | 23.03 |
| * Fixed Deposit receipts of Nil (Previous Year : Rs. 0.03 Crore) are pledged with Sales Tax Authorities. | | |
| Note 8E : Current Loans | | |
| Loans to Employees: | | |
| (a) Loans Receivables Considered Good - Secured | - | - |
| (b) Loans Receivables Considered Good - Unsecured | 0.02 | 0.03 |
| (c) Loans Receivables which have significant increase in Credit Risk | - | - |
| (d) Loans Receivables - credit impaired | - | - |
| | 0.02 | 0.03 |
| Note 8F : Other Current Financial Assets | | |
| (Unsecured and Considered Good) | | |
| Security Deposits | 1.87 | 1.60 |
| Receivable from Gas Pool Operator | 139.93 | 80.30 |
| Receivable from a Joint Venture (refer Note 30) | 0.22 | 0.08 |
| Insurance and Other Claims Receivable | - | 12.17 |
| Interest Receivable on Deposits | 0.35 | 0.26 |
| Rebates and Other Receivables | 18.64 | 18.31 |
| | 161.01 | 112.72 |
| Note 9 : Other Current Assets | | |
| (Unsecured and Considered Good, except to the extent stated) | | |
| Advances to Suppliers | 19.38 | 16.22 |
| (Considered Doubtful Rs. 0.19 Crore (Previous Year : Rs. 0.19 Crore)) | | |
| Balances with Statutory / Government Authorities | 188.15 | 427.16 |
| (Considered Doubtful Rs. 1.46 Crore (Previous Year: Rs. 5.44 Crore)) | | |
| Interest Receivable | 0.33 | 0.33 |
| Prepaid Expenses | 19.22 | 22.35 |
| Other General Receivables | 0.31 | 1.62 |
| | 227.39 | 467.68 |
| Less: Loss Allowance | 1.65 | 5.63 |
| | 225.74 | 462.05 |

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Note 10 : Share Capital | | |
| Authorised : | | |
| 44,00,00,000 (Previous Year : 44,00,00,000) Equity Shares of Rs.10 each | 440.00 | 440.00 |
| 21,00,00,000 (Previous Year : 21,00,00,000) Redeemable Preference Shares of Rs.10 each | 210.00 | 210.00 |
| | 650.00 | 650.00 |
| Issued, Subscribed and Paid up : | | |
| 40,06,52,297 (Previous Year: 40,06,52,297) Equity Shares of Rs.10 each, fully paid up | 400.65 | 400.65 |
| | 400.65 | 400.65 |

a) Reconciliation of the Shares Outstanding at the beginning and at the end of the Reporting Periods

| Particulars | As at March 31, 2025 | | As at March 31, 2024 | |
|---|----------------------|---------------|----------------------|---------------|
| | No of Shares | Rs. in Crore | No of Shares | Rs. in Crore |
| At the beginning of the year | 40,06,52,297 | 400.65 | 41,62,07,852 | 416.21 |
| Less: Buyback of equity shares (refer note 10(e)) | - | - | 1,55,55,555 | 15.56 |
| Outstanding at the end of the year | 40,06,52,297 | 400.65 | 40,06,52,297 | 400.65 |

b) Terms / Rights attached to Equity Shares

The Parent Company has only one class of shares having a par value of Rs.10 per share fully paid up. Each holder of equity shares is entitled to one vote per share and the equity shares will rank pari passu with each other in all respects. The Parent Company declares and pays dividend in Indian rupees. The dividend recommended / proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting. Further, the Board of Directors may also declare an interim dividend.

In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent Company, after payment of all liabilities.

c) Shareholding of Promoters and Promoter Group

| Name | As at March 31, 2025 | | | As at March 31, 2024 | | |
|---|----------------------|-------------------|--------------------------|----------------------|-------------------|--------------------------|
| | No. of shares | % of total shares | % Change during the year | No. of shares | % of total shares | % Change during the year |
| (A) Promoters: | | | | | | |
| Jyotsna Poddar | 42,51,972 | 1.06 | - | 42,51,972 | 1.06 | 0.00 |
| Nandini Nopany | 6,78,257 | 0.17 | - | 6,78,257 | 0.17 | 0.00 |
| Shobhana Bhartia | 26,28,043 | 0.66 | - | 26,28,043 | 0.66 | 0.00 |
| RTM Investment and Trading Co. Ltd. | 19,05,618 | 0.48 | - | 19,05,618 | 0.48 | 0.01 |
| SCM Investment & Trading Co. Ltd. | 5,68,732 | 0.14 | - | 5,68,732 | 0.14 | 0.00 |
| SIL Investments Limited | 3,26,19,484 | 8.14 | - | 3,26,19,484 | 8.14 | 0.02 |
| The Hindustan Times Limited | 5,72,20,071 | 14.28 | - | 5,72,20,071 | 14.28 | 0.02 |
| Zuari Industries Limited (formerly Zuari Global Limited) | 5,69,64,966 | 14.22 | - | 5,69,64,966 | 14.22 | 0.04 |
| Sub Total (A) | 15,68,37,143 | 39.15 | - | 15,68,37,143 | 39.15 | 0.00 |
| (B) Promoter Group: | | | | | | |
| Adventz Finance Private Limited | 10,28,589 | 0.26 | - | 10,28,589 | 0.26 | 0.00 |
| Adventz Securities Enterprises Limited | 1,64,116 | 0.04 | - | 1,64,116 | 0.04 | 0.00 |
| Akshay Poddar | 22,44,255 | 0.56 | - | 22,44,255 | 0.56 | 0.00 |
| Arhant Vikram Nopany | 45,368 | 0.01 | - | 45,368 | 0.01 | 0.00 |
| Chandra Shekhar Nopany (Shruti Family Trust) | 966 | 0.00 | - | 966 | 0.00 | 0.00 |
| Chandra Shekhar Nopany (Shekhar Family Trust) | 1,35,14,611 | 3.37 | - | 1,35,14,611 | 3.37 | 0.01 |
| Chandra Shekhar Nopany | 2,80,192 | 0.07 | - | 2,80,192 | 0.07 | 0.00 |
| Chandra Shekhar Nopany HUF | 2,31,760 | 0.06 | - | 2,31,760 | 0.06 | 0.00 |
| Deepshikha Trading Co. Private Limited | 55,697 | 0.01 | - | 55,697 | 0.01 | 0.00 |
| Duke Commerce Limited | 5,31,087 | 0.13 | - | 5,31,087 | 0.13 | 0.00 |
| Earthstone Holding (Two) Private Limited | 1,42,59,300 | 3.56 | - | 1,42,59,300 | 3.56 | 0.01 |
| Earthstone Investment & Finance Limited | 81,18,866 | 2.03 | - | 81,18,866 | 2.03 | 0.01 |
| Earthstone Holding (Three) LLP | 4,623 | 0.00 | - | 4,623 | 0.00 | (0.00) |

| Name | As at March 31, 2025 | | | As at March 31, 2024 | | |
|---|----------------------|-------------------|--------------------------|----------------------|-------------------|--------------------------|
| | No. of shares | % of total shares | % Change during the year | No. of shares | % of total shares | % Change during the year |
| Ganges Securities Limited | 22,51,795 | 0.56 | - | 22,51,795 | 0.56 | 0.02 |
| Hargaon Investment & Trading Co. Ltd. | 1,36,634 | 0.03 | - | 1,36,634 | 0.03 | 0.00 |
| La Monde Trading & Investments Private Ltd. | 14,479 | 0.00 | - | 14,479 | 0.00 | 0.00 |
| Manavta Holdings Ltd. | 23,35,579 | 0.58 | (0.15) | 29,35,579 | 0.73 | (0.01) |
| Manbhawani Investment Ltd. | 36,59,922 | 0.91 | (0.15) | 42,59,922 | 1.06 | (0.01) |
| Master Exchange & Finance Limited | 15,45,962 | 0.39 | - | 15,45,962 | 0.39 | 0.01 |
| New India Retailing and Investment Ltd. | 6,92,663 | 0.17 | - | 6,92,663 | 0.17 | 0.00 |
| Nilgiri Plantations Limited | 41,42,647 | 1.03 | - | 41,42,647 | 1.03 | 0.00 |
| Pavapuri Trading and Investment Company Ltd. | 96,527 | 0.02 | - | 96,527 | 0.02 | 0.00 |
| Premium Exchange and Finance Limited | 29,79,278 | 0.74 | - | 29,79,278 | 0.74 | 0.00 |
| Ronson Traders Limited | 69,01,612 | 1.72 | - | 69,01,612 | 1.72 | 0.00 |
| RTM Properties Ltd. | 1,20,658 | 0.03 | - | 1,20,658 | 0.03 | 0.00 |
| Saroj Kumar Poddar | 7,00,000 | 0.17 | - | 7,00,000 | 0.17 | 0.00 |
| Shital Commercial Limited | 1,33,513 | 0.03 | - | 1,33,513 | 0.03 | 0.00 |
| Shradha Agarwala | 3,14,579 | 0.08 | - | 3,14,579 | 0.08 | 0.00 |
| Shree Vihar Properties Ltd. | 6,75,683 | 0.17 | - | 6,75,683 | 0.17 | 0.00 |
| Shruti Vora | 3,95,757 | 0.10 | - | 3,95,757 | 0.10 | 0.00 |
| Sidh Enterprises Ltd. | 1,48,168 | 0.04 | - | 1,48,168 | 0.04 | 0.00 |
| SIL Properties Ltd. | 96,527 | 0.02 | - | 96,527 | 0.02 | 0.00 |
| Simon India Limited | 21,22,577 | 0.53 | - | 21,22,577 | 0.53 | 0.00 |
| Sonali Commercial Ltd. | 3,66,172 | 0.09 | - | 3,66,172 | 0.09 | 0.00 |
| Texmaco Infrastructure & Holdings Limited | 2,86,552 | 0.07 | - | 2,86,552 | 0.07 | 0.00 |
| Texmaco Rail & Engineering Ltd. | 9,653 | 0.00 | - | 9,653 | 0.00 | 0.00 |
| Uttam Commercial Ltd. | 65,63,964 | 1.64 | - | 65,63,964 | 1.64 | 0.01 |
| Yashovardhan Investment & Trading Co. Ltd. | 76,15,422 | 1.90 | - | 76,15,422 | 1.90 | 0.00 |
| Zuari International Limited (formerly Zuari Investments Limited) | 3,88,381 | 0.10 | - | 3,88,381 | 0.10 | 0.00 |
| Sub Total (B) | 8,51,74,134 | 21.26 | - | 8,63,74,134 | 21.56 | |
| Total (A) + (B) | 24,20,11,277 | 60.40 | - | 24,32,11,277 | 60.70 | |

d) Details of Shareholders holding more than 5% shares in the Parent Company

| Name | As at March 31, 2025 | | As at March 31, 2024 | |
|--|----------------------|-----------|----------------------|-----------|
| | No. of shares | % holding | No. of shares | % holding |
| The Hindustan Times Limited | 5,72,20,071 | 14.28 | 5,72,20,071 | 14.28 |
| Zuari Industries Limited (formerly Zuari Global Limited) | 5,69,64,966 | 14.22 | 5,69,64,966 | 14.22 |
| SIL Investments Limited | 3,26,19,484 | 8.14 | 3,26,19,484 | 8.14 |

As per the records of the Parent Company, including its register of shareholders / members, the above shareholding represents both legal and beneficial ownership of shares.

e) For the period of 5 years immediately preceding March 31, 2025

Buyback of equity shares

The Board of Directors at its meeting held on January 08, 2024 had approved buyback by the Parent Company up to 1,55,55,555 equity shares of Rs. 10/- each representing up to 3.74% of total paid-up equity capital of the Parent Company as on March 31, 2023, at a maximum price of Rs. 450/- per equity share, for an aggregate consideration up to Rs. 700 Crore (excluding taxes and expenses pertaining to Buy-back) in accordance with the applicable provisions of the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, and the Companies Act, 2013 & Rules made thereunder (the "Buy-back"). Accordingly, the Parent Company bought back 1,55,55,555 equity shares at a price of Rs. 450 per share, aggregating to Rs. 700 Crore (excluding taxes and expenses pertaining to Buy-back), and these shares were extinguished.

Consequent to the said Buyback, the equity share capital of the Parent Company stands reduced by Rs.15.56 Crore to Rs. 400.65 Crore and an equivalent amount of Rs. 15.56 Crore was transferred from retained earnings to capital redemption reserve account as per the provisions of Section 69 of the Companies Act, 2013. During FY 2023-24, further, an amount of Rs. 849.27 Crore being the excess of amount paid over the par value of shares bought back including taxes and expenses pertaining to Buy-back, was debited to retained earnings / securities premium account.

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Note 10A : Other Equity * | | |
| Reserves and Surplus: | | |
| (a) Retained Earnings | 7,657.14 | 6,328.41 |
| (b) General Reserve | 734.26 | 734.26 |
| (c) Capital Reserve | 0.21 | 0.21 |
| (f) Capital Redemption Reserve | 15.81 | 15.81 |
| (e) Tonnage Tax Reserve under Section 115VT of the Income Tax Act, 1961 | 0.50 | 0.50 |
| (f) Tonnage Tax Reserve (utilised) Account under Section 115VT of the Income Tax Act, 1961 | 42.25 | 42.25 |
| Total | 8,450.17 | 7,121.44 |
| Other Comprehensive Income: | | |
| (g) Exchange Difference on Translation of Foreign Operations | 26.15 | (24.50) |
| (h) Cash Flow Hedging Reserve | (148.95) | (224.04) |
| Total | (122.80) | (248.54) |
| Other Equity | 8,327.37 | 6,872.90 |

* For movement during the year, refer Consolidated Statement of Changes in Equity.

Description of Nature and Purpose of each Reserve

(a) Retained Earnings

Retained Earnings comprises of prior years as well as current year's undistributed earnings after taxes. During the previous year, part of the retained earnings was used towards Buy-back of equity shares (refer note 10e).

(b) General Reserve

General Reserve is a free reserve. It represents appropriation of profit by the Parent Company. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

(c) Capital Reserve

Capital Reserve represents the amount on account of forfeiture of equity shares of the Parent Company. Utilisation of reserve will be as per the provisions of the relevant statute.

(d) Capital Redemption Reserve

Capital Redemption Reserve represents reserve created on redemption of preference shares and reserve created when Parent Company purchases its own shares out of free reserves or securities premium. During the previous year a sum equal to the nominal value of the equity shares bought back was transferred to Capital Redemption Reserve. Utilisation of reserve will be as per the provisions of the relevant statute.

(e) & (f) Tonnage Tax Reserve and Tonnage Tax Reserve (utilised) Account under Section 115VT of the Income Tax Act, 1961

These reserves were created till the time erstwhile 'Shipping Division' of the Parent Company was under Tonnage Tax Regime.

(g) Exchange Difference on Translation of Foreign Operations

Exchange Difference arising on translation of foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is re-classified to profit or loss when the net investment is disposed off.

(h) Cash Flow Hedging Reserve

The Parent Company uses hedging instrument as part of its management of foreign currency risk associated with its highly probable forecast sale. Foreign currency risk associated with highly forecasted sale transaction is being hedged by taking foreign currency loans.

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| Non-Current Financial Liabilities | | |
| Note 11A: Non Current Borrowings | | |
| Secured Loans: | | |
| Term Loans : | | |
| - External Commercial Borrowings from Banks | - | 1,141.55 |
| - Foreign Currency Loans from Financial Institution | - | 631.66 |
| | - | 1,773.21 |

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| Unsecured Loans: | | |
| - Redeemable Preference Shares | 82.33 | 80.34 |
| | 82.33 | 1,853.55 |
| Less : Current Maturities of Long Term Borrowings shown under "Current Borrowings" (refer note 14A) | - | 709.33 |
| Non-Current Borrowings (as per Balance Sheet) | 82.33 | 1,144.22 |
| (a) Details of Borrowings and Transaction Costs | | |
| (i) External Commercial Borrowings | | |
| External Commercial Borrowings (refer (b) i below) | - | 1,146.52 |
| Less: Transaction Costs | - | 4.97 |
| Carrying Value of External Commercial Borrowings | - | 1,141.55 |
| (ii) Foreign Currency Loans from Financial Institution | | |
| Foreign Currency Loans from Financial Institution (refer (b) ii below) | - | 635.38 |
| Less: Transaction Costs | - | 3.72 |
| Carrying Value of Foreign Currency Loans from Financial Institution | - | 631.66 |

(b) Nature of Security, Terms and Repayment Schedule :

- i On June 28, 2024, the Parent Company has made the pre-payment of outstanding External Commercial Borrowings ("ECB") from banks of USD 13.75 Crore (Rs. 1,146.52 Crore) which carried interest in the range of 3 months LIBOR / Overnight SOFR plus 1.35% - 1.81% per annum.
- ii On June 28, 2024, the Parent Company has made the pre-payment of outstanding Foreign currency term loans ("FCTL") from a financial institution of USD 7.62 Crore (Rs. 635.38 Crore) which carried interest in the range of 3 months LIBOR / Overnight SOFR plus 1.55% - 1.81% per annum.

Aforementioned ECB's /FCTL's loans were secured by first pari-passu charge by way of mortgage, by deposit of title deeds in respect of immovable properties of the Parent Company and hypothecation of the movable fixed assets (Property, Plant and Equipment) of the Company, both present and future subject to prior charges created in favour of banks on current assets and other movables for securing working capital borrowings.

Pursuant to the provisions contained in Chapter VI of the Companies Act 2013 ('Act'), the charge has been satisfied in full on July 23, 2024 in accordance with provisions of Act.

(c) Redeemable Preference Shares

In respect of redeemable preference shares issued by a subsidiary of the Parent Company, as the subsidiary company has an obligation to deliver a number of its equity instruments which may vary based on the fair value of the preference shares on the date of redemption, the contractual obligation has been construed as a financial liability. Refer note 32 for the details regarding rights, preference and restrictions attached to the redeemable preference shares.

Note 11B: Other Financial Liabilities

Government Grants

Accounting Policy

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Parent company will comply with all attached conditions.

Government grants relating to the purchase / acquisition of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

Duty Deferral Liability*

| | |
|-------------|----------|
| 2.39 | - |
| 2.39 | - |

*The Impact of Duty deferment under Manufacturing and Other Operations in Warehouse Regulations, 2019 scheme is treated as Government Grant in accordance with Ind AS 20 "Accounting for Government Grants and Disclosure of Government Assistance"

During the current financial year, an amount of Rs. 11.74 Crore has been adjusted with Capital Work-in Progress, towards unwinding of Duty Deferral Liability.

Note 12 : Long Term Provisions

Provision for Employee Benefits

Accounting Policy

A provision is recognized when the Group has a present obligation (legal or constructive) as a result of 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. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| Long Term Provisions consist of the following: | | |
| - Gratuity (refer note 31) | - | 17.23 |
| - Post Retirement Medical Benefits (refer note 31) | 8.40 | 7.50 |
| | 8.40 | 24.73 |
| Note 13 : Other Non Current Liabilities | | |
| Other Employee Benefit Obligations | 4.22 | 4.17 |
| | 4.22 | 4.17 |
| Current Financial Liabilities | | |
| Note 14A : Current Borrowings | | |
| Secured Loans: | | |
| From Banks: | | |
| Current Maturity of Long Term Borrowings (refer note 11A) | - | 709.33 |
| | - | 709.33 |
| Note 14B : Trade Payables | | |
| Trade Payables | | |
| a) total outstanding dues to Micro and Small Enterprises (refer note 35) | 31.12 | 31.61 |
| b) total outstanding dues of creditors other than micro enterprises and small enterprises | 599.15 | 762.22 |
| | 630.27 | 793.83 |

Trade Payables Ageing Schedule

As at March 31, 2025

(Rs. in Crore)

| Particulars | Unbilled | Not Due | Outstanding for following periods from due date of payment | | | | Total |
|---|--------------|---------------|---|-------------|-------------|----------------------|---------------|
| | | | Less than 1 year | 1-2 Years | 2-3 Years | More than 3 Years | |
| Undisputed Trade Payables | | | | | | | |
| Micro Enterprises and Small Enterprises | 0.56 | 30.55 | - | - | - | - | 31.11 |
| Others | 62.72 | 534.37 | 1.71 | 0.14 | 0.01 | - | 598.95 |
| Disputed Trade Payables | | | | | | | |
| Micro Enterprises and Small Enterprises | - | - | - | - | - | - | - |
| Others | 0.11 | - | 0.10 | - | - | - | 0.21 |
| Total | 63.39 | 564.92 | 1.81 | 0.14 | 0.01 | - | 630.27 |

As at March 31, 2024

(Rs. in Crore)

| Particulars | Unbilled | Not Due | Outstanding for following periods from due date of payment | | | | Total |
|---|--------------|---------------|---|-------------|-----------|----------------------|---------------|
| | | | Less than 1 year | 1-2 Years | 2-3 Years | More than 3 Years | |
| Undisputed Trade Payables | | | | | | | |
| Micro Enterprises and Small Enterprises | 0.06 | 31.54 | 0.01 | - | - | - | 31.61 |
| Others | 89.71 | 668.83 | 3.66 | 0.02 | - | - | 762.22 |
| Disputed Trade Payables | | | | | | | |
| Micro Enterprises and Small Enterprises | - | - | - | - | - | - | - |
| Others | - | - | - | - | - | - | - |
| Total | 89.77 | 700.37 | 3.67 | 0.02 | - | - | 793.83 |

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Note 14C : Other Financial Liabilities | | |
| Interest Accrued but not due on Borrowings | - | 1.39 |
| Earnest Money / Security Deposits | 266.91 | 254.12 |
| Accrued Employee Liabilities (including payable to Key Management Personnel) (refer note 30) | 41.59 | 37.51 |
| Unclaimed Statutory Liabilities (as referred in Section 124(1) of the Companies Act, 2013): | | |
| - Unpaid Dividend | 24.21 | 19.25 |
| Payable towards unspent CSR Expenditure | 0.06 | - |
| Payable for Capital Goods {includes Rs. 6.45 Crore (Previous Year: Rs. 14.19 Crore) dues to Micro and Small Enterprises (refer note 35)} | 71.71 | 68.52 |
| Derivative - Foreign Exchange Forward Contracts | 8.68 | 0.43 |
| Warrants (refer note 32) | 0.00 | 0.00 |
| Payables towards De-escalation of Subsidy Claim (net) | - | 25.05 |
| | 413.16 | 406.27 |

Terms and Conditions of the above Financial Liabilities:

- Trade and Other Financial Liabilities (other than Security Deposits) are non-interest bearing. For maturity profile of Trade Payables and Other Financial Liabilities, refer note 42.

Note 15 : Other Current Liabilities

Accounting Policy

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group 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 in respect of advance from customers is disclosed under "other current liabilities". Contract liabilities are recognised as revenue when the Group performs under the contract.

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| Other Current Liabilities: | | |
| Advance from Customers * | 63.55 | 61.72 |
| Other Employee Benefit Obligations | 0.74 | 0.75 |
| Statutory Obligations Payable | 19.88 | 17.10 |
| Other Liabilities : | | |
| - Dues to Related Parties (refer note 30) | 1.10 | 0.54 |
| - Others | 0.18 | 0.17 |
| | 85.45 | 80.28 |

*These represent contract liabilities arising from contracts with customers. The amount of Rs. 60.09 Crore out of advance from customers of Rs. 61.72 Crore (Previous Year: Rs. 37.59 Crore out of advance from customers of Rs. 39.75 Crore) pertaining to balance at the beginning of the year have been recognised as revenue during the year. The remaining balances have been refunded / adjusted.

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Note 16 : Current Provisions | | |
| For Accounting policy refer note 12 | | |
| Provision for Employees Benefits: | | |
| - Gratuity (refer note 31) | 3.07 | 6.74 |
| - Leave Encashment / Liabilities* | 36.82 | 34.95 |
| - Post Retirement Medical Benefits (refer note 31) | 0.41 | 0.23 |
| | 40.30 | 41.92 |

* Leave obligations not expected to be settled within the next 12 months: Rs. 23.44 Crore as at March 31, 2025 and Rs. 21.45 Crore as at March 31, 2024. (Refer Note 31(v)).

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025

Note 17 : Revenue from Operations

Accounting Policy

Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Sale of Goods

Revenue, including subsidy, in respect of sale of goods is recognised at a point in time when control of the goods is transferred, i.e. the goods are delivered to the buyer, the buyer has full discretion over the goods and there is no unfulfilled obligation that could affect the buyer's acceptance of the goods. Revenue (other than subsidy) from sales is recognised based on price specified in the contract, net of estimated volume discount. Amounts disclosed as revenue are net of returns and allowances, trade discounts, rebates and goods & services tax (GST). The Group collects GST on behalf of the government and therefore, these are not economic benefits flowing to the Group. Hence, these are excluded from the revenue.

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust the transaction prices for the time value of money.

Subsidy on Urea including freight have been accounted on the basis of notified concession prices as under:

- (i) New Pricing Scheme (NPS) – Stage III and Modified NPS III.
- (ii) New Urea Policy 2015.
- (iii) New Investment Policy 2012 (amended); and
- (iv) Uniform Freight Policy.

The concession price and freight is accounted based on notified prices, further adjusted for input price escalation/ de-escalation and as estimated by the management based on the prescribed norms in line with known policy parameters.

Subsidy on Phosphatic and Potassic (P&K) fertilisers has been accounted for as per the concession rates based on Nutrient Based Policy and Freight Subsidy has been accounted for in line with the policy, notified by the Government of India.

Revenue from Operations consist of the following:

| | (Rs. in Crore) | |
|---|------------------------------|------------------------------|
| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
| Sale of Products | | |
| Sale of Own Manufactured Products {including Rs. 10,891.36 Crore (Previous Year: Rs. 10,536.18 Crore) Subsidy on Fertilisers} | 13,158.68 | 12,722.65 |
| Sale of Traded Products {including Rs. 1,063.83 Crore (Previous Year: Rs. 2,235.26 Crore) Subsidy on Fertilisers} | 3,487.44 | 5,224.98 |
| Other Operating Revenues | | |
| Others (spillage) | 0.08 | 18.78 |
| Revenue from Operations | 16,646.20 | 17,966.41 |

Note 18 : Other Income
Accounting Policy
(i) Interest Income

Interest income is calculated by applying the effective interest rate to gross carrying amount of a financial asset except for financial asset that subsequently become credit impaired. In case of credit impaired financial asset, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

(ii) Dividend Income

Dividend income is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

(iii) Insurance Claims

Claims receivable on account of insurance are accounted for to the extent the Group is reasonably certain of their ultimate collection..

| | (Rs. in Crore) | |
|---|------------------------------|------------------------------|
| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
| Other Income consist of the following: | | |
| (A) Other Income: | | |
| Interest on: | | |
| - Employees Loans | 0.00 | 0.00 |
| - Deposits | 2.82 | 16.26 |
| - Payment from Customers | 0.16 | 0.02 |
| - Income Tax Refunds | 16.51 | 9.52 |
| - Others (including deposits with Government Authorities) | 1.54 | 0.49 |
| Dividend Income on Non Current Investment | 0.00 | 0.00 |
| Rent Income | 0.13 | 0.14 |
| Insurance Claims | 42.35 | 54.66 |
| Liabilities no Longer Required Written Back | 0.09 | 0.36 |
| Allowance for Doubtful Debts and Advances (Net) | 3.42 | - |
| Recoveries from Contractor | 0.84 | 0.97 |
| Sale of Scrap | 2.20 | 3.59 |
| Miscellaneous Income | 2.80 | 2.58 |
| (B) Other Gains : | | |
| - Fair Value (Loss) / Gain on Derivatives not Designated as Hedge* | (7.67) | 0.86 |
| - Gain on Sale of Current Investments | 116.85 | 89.32 |
| - Fair Value Gain on Financial Assets Measured at Fair Value through Profit or Loss | 28.24 | 68.21 |
| - Reversal of Fair Value Loss on Financial Assets Measured at Fair Value through Profit or Loss, recognised in earlier years. | 4.83 | 2.12 |
| | 215.11 | 249.10 |

* Refer note 28

(Rs. in Crore)

| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
|--|------------------------------|------------------------------|
| Note 19 : Cost of Materials Consumed | | |
| Opening Inventories | 1.66 | 1.64 |
| Add: Purchases | 6,434.47 | 6,581.97 |
| Less: Closing Inventories | 1.48 | 1.66 |
| | 6,434.65 | 6,581.95 |
| Note 20 : Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress | | |
| Closing Inventories | | |
| - Work-in-Progress | 12.57 | 14.98 |
| - Finished Goods | 477.76 | 519.42 |
| - Traded Goods | 1,125.68 | 536.78 |
| | 1,616.01 | 1,071.18 |
| Opening Inventories | | |
| - Work-in-Progress | 14.98 | 18.22 |
| - Finished Goods | 519.42 | 152.39 |
| - Traded Goods | 536.78 | 1,045.98 |
| | 1,071.18 | 1,216.59 |
| (Increase) / Decrease in Inventories | (544.83) | 145.41 |
| Note 21 : Employee Benefits Expense | | |
| Salaries, Wages and Bonus * | 210.33 | 200.73 |
| Contribution to Provident and Other Funds | 11.04 | 10.02 |
| Gratuity Expense (refer note 31) | 4.82 | 4.32 |
| Post Retirement Medical Benefits (refer note 31) | 0.99 | 0.81 |
| Workmen and Staff Welfare Expenses | 6.06 | 4.89 |
| | 233.24 | 220.77 |

* Refer note 28

Note 22 : Finance Costs**Accounting Policy**

General and specific borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

Borrowing costs include interest and amortisation of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Finance Costs consist of the following:

| | | |
|--|--------------|---------------|
| Interest on: | | |
| - Borrowings* | 32.09 | 159.95 |
| - Income Tax | 0.02 | - |
| - Lease Liabilities ** | 0.88 | 0.88 |
| Bank Charges | 14.73 | 12.20 |
| Fair Value Gain on Derivatives not Designated as Hedge | - | (8.44) |
| Loss on Foreign Exchange Variation (Net) related to financing arrangements | 0.70 | 8.47 |
| | 48.42 | 173.06 |

* Refer note 28

** Refer note 34

| | | (Rs. in Crore) | |
|---|------|------------------------------|------------------------------|
| Particulars | | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
| Note 23 : Other Expenses | | | |
| Consumption of Stores and Spares | | 41.08 | 40.06 |
| Consumption of Packing Materials | | 135.80 | 129.19 |
| Bagging and Other Services | | 25.70 | 23.85 |
| Power and Fuel | | 3,504.44 | 3,650.12 |
| Catalyst Charges Written off | | 10.87 | 9.48 |
| Rent (refer note 34) | | 6.92 | 8.77 |
| Rates and Taxes | | 1.16 | 0.46 |
| Insurance | | 31.83 | 35.89 |
| Repairs and Maintenance: | | | |
| - Plant and Equipment | | 45.00 | 39.94 |
| - Buildings | | 6.99 | 6.45 |
| - Others | | 22.68 | 19.87 |
| Director's Sitting Fees | | 0.40 | 0.50 |
| Travelling and Conveyance * | | 12.45 | 12.04 |
| Communication Costs | | 1.02 | 1.03 |
| Printing and Stationery | | 0.59 | 0.52 |
| Legal and Professional Fees * | | 6.65 | 7.44 |
| Payments to the Auditor: # | | | |
| As auditor: | | | |
| - Audit Fee | | 0.63 | 0.57 |
| - Tax Audit Fee | | 0.07 | 0.07 |
| - Limited Review Fee | | 0.30 | 0.30 |
| - Certification and Other Services | | 0.24 | 0.22 |
| - Reimbursement of Expenses | | 0.07 | 0.07 |
| Freight and Forwarding Charges | | 658.86 | 696.13 |
| Other Selling Expenses | | 13.79 | 16.73 |
| Corporate Social Responsibility Expenditure | | 34.09 | 35.25 |
| Contribution to Prudent Electoral Trust | | - | 25.00 |
| Depletion of Loose Tools | | 0.18 | 0.18 |
| Green Belt Development / Horticulture Expenses | | 3.40 | 3.33 |
| Allowance for Doubtful Debts and Advances (Net) | | - | 2.50 |
| Fair Value Loss on Financial Assets measured at Fair Value through Profit or Loss | | 4.00 | - |
| Loss on Foreign Exchange Variation (Net) * | | 0.01 | 5.67 |
| Loss on Disposal / Write off of Property, Plant and Equipment (Net) and Right -of -Use Assets | | 17.60 | 3.72 |
| Inventories Written Off | | 0.00 | 0.01 |
| Irrecoverable Balances Written Off | 0.02 | | 0.15 |
| Less: Allowance for Doubtful Debts and Advances adjusted out of above | - | 0.02 | 0.14 |
| Miscellaneous Expenses * | | 26.55 | 24.72 |
| | | 4,613.39 | 4,800.09 |

Previous year figure does not include Rs. 0.08 Crore paid towards certification services for Buy-back of equity shares which has been charged to Retained Earnings.

* Refer note 28

(Rs. in Crore)

| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
|-------------|------------------------------|------------------------------|
|-------------|------------------------------|------------------------------|

Note 24 : Earnings Per Share (EPS)**Accounting Policy**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders of the Parent Company by the weighted average number of the equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit or loss for the year attributable to equity shareholders of the Parent Company and the weighted average number of equity shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

EPS is calculated as follows:

| | | |
|--|-----------------|-----------------|
| Profit as per Consolidated Statement of Profit and Loss | 1,649.39 | 1,275.75 |
| Loss for the Year attributable to Non-Controlling Interests | 0.12 | 0.05 |
| Profit attributable to Equity Holders of the Parent Company: | 1,649.51 | 1,275.80 |
| Calculation of Weighted Average Number of Equity Shares | | |
| - Number of Equity Shares at the beginning of the Year | 40,06,52,297 | 41,62,07,852 |
| - Total Equity Shares Outstanding at the end of the Year | 40,06,52,297 | 40,06,52,297 |
| - Weighted average Number of Equity Shares Outstanding during the Year | 40,06,52,297 | 41,36,57,761 |
| Basic and Diluted Earnings Per Share (in Rs.) * | 41.17 | 30.84 |
| Nominal Value of Equity Shares (in Rs.) | 10.00 | 10.00 |

* There are no dilutive potential equity shares.

25 The Group comprises of the following entities :

| Name of the Entities | Country of Incorporation | Percentage of Ownership as at March 31, 2025 | Percentage of Ownership as at March 31, 2024 |
|---|-----------------------------|--|--|
| A. Subsidiaries | | | |
| Chambal Infrastructure Ventures Limited | India | 100.00% | 100.00% |
| CFCL Ventures Limited (CVL) | Cayman Islands | 72.27% | 72.27% |
| Subsidiaries of CVL | | | |
| ISGN Corporation # | U.S.A | 100.00% | 100.00% |
| ISG Novasoft Technologies Limited # | India | 100.00% | 100.00% |
| B. Joint Venture | | | |
| Indo Maroc Phosphore S.A. - IMACID | Morocco | 33.33% | 33.33% |

Percentage of ownership of CVL.

26 Contingent Liabilities and Contingent Assets:**(i) Contingent Liabilities (not provided for)****Accounting Policy**

A contingent liability is a possible obligation that arises from past events and 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 Group.

I. In respect of Parent Company :

(Rs. in Crore)

| S. No. | Particulars | As at March 31, 2025 | As at March 31, 2024 |
|-----------|---|--------------------------|--------------------------|
| (a) | Demand raised / Estimated liability on account of Service Tax, Goods and Services Tax, Sales Tax and Income Tax (IT) authorities being under dispute* | 176.99 | 167.40 |
| (b) | Penalty levied by FERA Board under appeal before the Calcutta High Court | 0.01 | 0.01 |
| (c) | Various labour cases | Amount not ascertainable | Amount not ascertainable |
| (d) | Other claims against the Parent Company not acknowledged as debts | 0.08 | 0.08 |

* Brief description of liabilities under (a) above are as follows :

(Rs. in Crore)

| S. No. | Particulars | As at March 31, 2025 | As at March 31, 2024 |
|----------|---|-------------------------|-------------------------|
| 1 | Income Tax : | | |
| | (i) Estimated liability on account of various disallowances for assessment year 2011-12 | - | 0.03 |
| | (ii) Estimated liability on account of various disallowances for assessment year 2017-18 | 10.36 | 10.36 |
| | (iii) Estimated liability for assessment year 2018-19 to 2024-25 | 147.34 | 142.43 |
| | (iv) Other matters | 4.98 | - |
| 2 | Service Tax : Demand (including penalty) plus interest at the appropriate rate raised in respect of service tax not paid on payments made in foreign currency to foreign parties, treating all such payments as taxable, which is being contested by the erstwhile Shipping Division of the Parent Company. | - | 0.27 |
| 3 | Goods and Services Tax: Penalty in respect of refund availment of Inverted duty structure | 14.31 | 14.31 |
| | Total | 176.99 | 167.40 |

- (e) The Parent Company had received a demand of Rs. 3.52 Crore plus penalty (Previous Year: Rs. 3.52 Crore) from Sales Tax Department, Kota in an earlier year towards use of natural gas for ammonia fuel, power and steam generation for the period April, 1996 to May, 2001. The Parent Company has obtained a stay from Hon'ble High Court of Rajasthan, Jodhpur on 13th July, 2001 for the period from 1996-97 to 1997-98 and on 17th August, 2001 for the period from 1998-99 to 2001-02 – Upto May 2001. However, in the event of the Parent Company have to pay the above, it is reimbursable by Fertiliser Industry Coordination Committee (FICC) / Government of India under Subsidy Scheme.

Based on favorable decisions in similar cases, legal opinion taken by the Parent Company, discussions with the solicitors, etc., the Parent Company believes that there is fair chance of favourable decision in respect of all the items listed above and hence no provision is considered necessary against the same.

In respect of above contingent liabilities, it is not practicable for the Parent Company to estimate the timing of cash outflows, if any, pending resolution of the respective proceedings.

II. In respect of Subsidiaries :

The details of the cases, the amount of claim (wherever quantifiable) and the subsidiary of the Group involved are as below:

ISG Novasoft Technologies Limited ('ISGN India')

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| Income tax demands, under appeal [refer Note below] USD 49,61,116 (Previous Year: USD 49,61,116) | 41.38 | 41.38 |

Note:

In respect of ISGN India, the tax authorities have made various adjustments relating to transfer pricing and other disallowances to taxable income for various assessment years i.e. 2009-10 to 2019-20.

The Group is contesting aforesaid demands and the management, based on external advise, believes that its position will likely be upheld in the appellate process. No expense has been accrued in the consolidated financial statements for the aforesaid demands raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position and results of operations. The Group does not expect any reimbursements in respect of the above contingent liabilities.

In respect of above contingent liabilities, it is not practicable for the Group to estimate the timings of cash outflows, if any, pending resolution of the respective proceedings.

(ii) Contingent Assets (not recognised for)

Accounting Policy

A contingent asset is a possible asset that arises 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 group.

| (Rs. in Crore) | | |
|---|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Un-utilised Cenvat Credit of Parent Company | 3.03 | 3.03 |

The erstwhile Shipping Division of the Parent Company had claimed cenvat credit in the service tax returns in the earlier years. However, such service tax credit receivable has not been recognised in the financial statements due to uncertainty in utilisation of the same.

27 Capital Commitments

| (Rs. in Crore) | | |
|--|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Estimated amount of contracts remaining to be executed on capital account {net of advances of Rs. 122.84 Crore (Previous Year : Rs. 158.76 Crore)} | 1,164.44 | 1,144.82 |

28 Capitalisation of Expenditure

Parent Company

The Parent Company has capitalised the following expenses of revenue nature to the cost of Capital Work-in-Progress. Consequently, expenses disclosed under the respective notes are net of amount capitalised by the Parent Company. The break up of expenditure is as follows:

| (Rs. in Crore) | | |
|---|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Opening Balance | 19.37 | 5.02 |
| Add : Expenditure during the year | | |
| Salaries, Wages and Bonus | 4.45 | 2.93 |
| Travelling and Conveyance | 0.36 | 0.47 |
| Legal and Professional Fees | 0.99 | 0.54 |
| Miscellaneous expenses | 0.08 | 1.75 |
| Interest ** | 13.31 | 13.75 |
| Fair Value (Loss) / Gain on Derivatives not Designated as Hedge | 0.59 | 0.29 |
| Loss /(Gain) on Foreign Exchange Variation (Net) | 1.50 | (0.02) |
| Total Expenditure | 40.65 | 24.73 |
| Less : Allocated to Property, Plant and Equipment | (0.00) | (5.36) |
| Capitalisation of Expenditure (pending for Allocation) * | 40.65 | 19.37 |

* Includes Rs. 40.35 Crore (Previous Year: 19.21 Crore) related to upcoming Technical Ammonium Nitrate Plant.

** Interest comprises of Rs. 13.31 Crore (Previous Year : Rs. 13.75 Crore) on general borrowings for Technical Ammonium Nitrate Plant and other qualifying assets using the weighted average interest rate applicable during the year which is 5.52% per annum (Previous Year: 6.92% per annum).

29 Segment Information

Operating Segment

Accounting Policy

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Chief operating decision maker considers the business activities in terms of nature of products i.e. manufacturing / marketing of fertilisers & other agri-inputs. The analysis of geographical segments is based on the location of customers.

The Managing Director and Chief Financial Officer of the Parent Company have been identified as the chief operating decision maker (CODM) as defined by Ind AS 108, 'Operating Segments'. The CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators.

The Group is in the business of manufacturing / marketing of Fertilisers and other Agri-inputs. As defined by Ind AS-108, 'Operating Segments', the Chief Operating Decision Maker (CODM) of the Group had identified and determined the business into reportable segments namely (a) Own Manufactured Fertilisers, (b) Complex Fertilisers, (c) Crop Protection Chemicals and Speciality Nutrients.

Accordingly, the segment information is provided under the reportable segments (a) Own manufactured Fertilisers, (b) Complex Fertilisers, (c) Crop Protection Chemicals and Speciality Nutrients; and (d) Others including upcoming Technical Ammonium Nitrate Plant. In accordance with Ind AS-108 on Operating Segments, a description of the types of products and services provided by each reportable segment is as follows:

Own Manufactured Fertilisers segment includes manufacture and marketing of Urea.

Complex Fertilisers segment includes purchase and sale of DAP, MOP and various grade of NPK fertilisers.

Crop Protection Chemicals and Speciality Nutrients segment includes purchase and sale of Crop Protection Chemicals and Speciality Nutrients

Others segment includes upcoming Technical Ammonium Nitrate Plant and others.

(Rs. in Crore)

| Particulars | Own Manufactured Fertilisers | | Complex Fertilisers | | Crop Protection Chemicals and Speciality Nutrients | | Others | | Total Segment | |
|--|------------------------------|-----------|---------------------|----------|--|---------|---------|---------|---------------|-----------|
| Revenue | Financial Year | | | | | | | | | |
| | 2024-25 | 2023-24 | 2024-25 | 2023-24 | 2024-25 | 2023-24 | 2024-25 | 2023-24 | 2024-25 | 2023-24 |
| External Revenue (including other operating revenue) | 13,158.68 | 12,722.65 | 2,561.41 | 4,483.30 | 926.11 | 760.46 | - | - | 16,646.20 | 17,966.41 |
| Inter Segment Revenue | - | - | - | - | - | - | - | - | - | - |
| Total Revenue | 13,158.68 | 12,722.65 | 2,561.41 | 4,483.30 | 926.11 | 760.46 | - | - | 16,646.20 | 17,966.41 |
| Segment Results | 1,836.00 | 1,500.31 | 173.71 | 159.79 | 213.63 | 152.80 | (0.11) | 0.14 | 2,223.23 | 1,813.04 |
| Total Assets | 7,257.78 | 7,374.37 | 1,601.29 | 962.12 | 170.47 | 166.81 | 723.15 | 294.14 | 9,752.69 | 8,797.44 |
| Total Liabilities | 863.67 | 1,022.52 | 146.45 | 215.02 | 86.47 | 69.39 | 135.56 | 95.59 | 1,232.15 | 1,402.52 |
| Other Disclosures | | | | | | | | | | |
| Cost of Materials Consumed | 6,434.65 | 6,581.95 | - | - | - | - | - | - | 6,434.65 | 6,581.95 |
| Purchases of Stock-in-Trade | - | - | 2,782.54 | 3,632.23 | 643.74 | 542.67 | - | - | 3,426.28 | 4,174.90 |
| Power and Fuel | 3,504.44 | 3,650.12 | - | - | - | - | - | - | 3,504.44 | 3,650.12 |
| Depreciation and Amortisation Expenses | 325.73 | 308.68 | - | - | - | - | 0.01 | - | 325.74 | 308.68 |
| Capital Expenditure (including capital advances) | 146.53 | 379.28 | - | - | - | - | 429.12 | 271.32 | 575.65 | 650.60 |

Reconciliations to amounts reflected in the financial statements

Reconciliation of Profit before tax

(Rs. in Crore)

| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
|---|------------------------------|------------------------------|
| Segment Results | 2,223.23 | 1,813.04 |
| Reconciliation Items:- | | |
| Interest income | 20.37 | 25.63 |
| Gain on Sale of Investments | 116.85 | 89.32 |
| Fair value gain on financial assets measured at fair value through profit or loss / Reversal of Fair Value Loss on Financial assets measured at Fair Value through Profit or Loss | 33.07 | 70.33 |
| Depreciation and amortisation expense | (4.42) | (4.11) |
| Other expenses net of other income | (20.67) | (14.61) |
| Finance Costs | (48.42) | (173.06) |
| Share of Net Profit of a Joint Venture accounted for using the Equity Method | 131.70 | 80.44 |
| Profit before tax | 2,451.71 | 1,886.98 |

Reconciliation of Assets

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| Segment Operating Assets | 9,752.69 | 8,797.44 |
| Investments Accounted for Using the Equity Method | 543.95 | 499.13 |
| Property, plant and equipment and Right-of-Use Assets | 11.88 | 14.72 |
| Non Current Tax Assets (Net) | 39.68 | 138.66 |
| Current Investments | 828.24 | 1,932.19 |
| Bank balances on unpaid dividend accounts | 24.21 | 19.25 |
| Balance with banks and Cash on Hand | 99.02 | 35.79 |
| Deposits with banks | 100.00 | 65.03 |
| Security Deposits | 2.28 | 2.27 |
| Prepaid Expenses | 4.08 | 4.01 |
| Interest receivable on loans, deposits and others | 0.08 | 0.02 |
| Rebates and Other General Receivables | 0.05 | 0.05 |
| Interest Receivable | 0.33 | 0.33 |
| Receivable from Joint venture | 0.22 | 0.08 |
| Total Assets | 11,406.71 | 11,508.97 |

Reconciliation of Liabilities

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| Segment Operating Liabilities | 1,232.15 | 1,402.52 |
| Long-term borrowings | - | 1,063.88 |
| Deferred tax liabilities (net) | 1,411.77 | 1,025.78 |
| Current maturities of long term borrowings | - | 709.33 |
| Lease Liability | 8.28 | 11.71 |
| Interest accrued but not due on borrowings | - | 1.39 |
| Trade Payables | 1.46 | 3.23 |
| Provision for employee benefits | - | 0.29 |
| Accrued employee liabilities | 0.04 | 0.04 |
| Unclaimed statutory liabilities | 24.21 | 19.25 |
| Statutory Obligation Payable | 15.71 | 12.95 |
| Other liabilities - Dues to Related Parties | 1.10 | 0.54 |
| Total Liabilities | 2,694.72 | 4,250.91 |

Information about geographical areas

The Group's revenue from operations i.e. Own Manufactured Fertilisers, Complex Fertilisers and Crop Protection Chemicals and Speciality Nutrients from external customers is Nil as all customers are located in India only. Hence, no additional disclosure about geographical information has been given.

Information about major customers

Revenue from single customer i.e. Government of India amounted to Rs. 11,995.19 Crore (Previous Year : Rs. 12,771.44 Crore) arising from sales in the Own Manufactured Fertilisers and Complex Fertilisers.

30 Related Party Transactions

Disclosures of the related party information as per Ind AS - 24 'Related Party Disclosures', are as follows-

I Related Party Name and Relationship**(A) Subsidiaries**

- CFCL Ventures Limited
- Chambal Infrastructure Ventures Limited
- ISGN Corporation #
- ISG Novasoft Technologies Limited #
- # Subsidiaries of CFCL Ventures Limited

(B) Joint Venture

Indo Maroc Phosphore, S.A. - IMACID

(C) Post Employment Benefit Plans

CFCL Employees' Provident Fund

Chambal Fertilisers and Chemicals Limited Senior Staff Superannuation Fund

CFCL Employees Group Gratuity Scheme

India Steamship Staff Provident Fund

India Steamship Staff Gratuity Insurance Scheme

ISG Novasoft Technologies Limited Employees Group Gratuity Trust

(D) Key Management Personnel

| S.No. | Name | Designation |
|-------|----------------------------|--|
| 1 | Mr. Saroj Kumar Poddar | Non-Executive Chairman |
| 2 | Mr. Shyam Sunder Bhartia | Non-Executive Director |
| 3 | Mr. Chandra Shekhar Nopany | Non-Executive Director |
| 4 | Mr. Abhay Baijal | Managing Director (Appointed as Managing Director with effect from July 21, 2023) |
| 5 | Mr. Gaurav Mathur | Managing Director (Ceased to be Managing Director with effect from July 21, 2023) |
| 6 | Mr. Vivek Mehra | Independent - Non-Executive Director |
| 7 | Mr. Pradeep Jyoti Banerjee | Independent - Non-Executive Director |
| 8 | Ms. Rita Menon | Independent - Non-Executive Director |
| 9 | Mr. Berjis Minoo Desai | Independent - Non-Executive Director |
| 10 | Mr. Anand Agarwal | Chief Financial Officer |
| 11 | Mr. Rajveer Singh | Company Secretary (Ceased to be Company Secretary with effect from May 06, 2023) |
| 12 | Mr. Anuj Jain | Company Secretary (Appointed as Company Secretary with effect from May 06, 2023 and Ceased to be Company Secretary with effect from November 04, 2023) |
| 13 | Mr. Tridib Barat | Company Secretary (Appointed as Company Secretary with effect from November 04, 2023) |

II Transaction with the Related Parties
(A) Joint Venture

(Rs. in Crore)

| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
|-------------------------------------|------------------------------|------------------------------|
| Reimbursement of Expenses | | |
| Indo Maroc Phosphore, S.A. - IMACID | 0.40 | 0.29 |
| Total | 0.40 | 0.29 |

(B) Post Employment Benefit Plans

(Rs. in Crore)

| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
|--|------------------------------|------------------------------|
| Employer's Contribution Paid / Payable | | |
| - CFCL Employees Group Gratuity Scheme | 24.70 | - |
| - India Steamship Staff Provident Fund | 0.01 | 0.02 |
| Employer's Contribution Received | | |
| - ISG Novasoft Technologies Limited Employees Group Gratuity Trust | 0.07 | - |
| Total | 24.78 | 0.02 |

(C) Key Management Personnel

(Rs. in Crore)

| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
|--|------------------------------|------------------------------|
| Compensation * | | |
| -Short Term Employee Benefits: | | |
| Mr. Gaurav Mathur | - | 3.81 |
| Mr. Abhay Bajjal | 2.89 | 1.48 |
| Mr. Anand Agarwal | 2.35 | 2.39 |
| Mr. Rajveer Singh | - | 0.57 |
| Mr. Anuj Jain | - | 0.60 |
| Mr. Tridib Barat | 1.19 | 0.35 |
| -Post Employment Benefits: | | |
| Mr. Gaurav Mathur | - | 0.11 |
| Mr. Abhay Bajjal | 0.13 | 0.08 |
| Mr. Anand Agarwal | 0.11 | 0.10 |
| Mr. Rajveer Singh | - | 0.30 |
| Mr. Anuj Jain | - | 0.03 |
| Mr. Tridib Barat | 0.08 | 0.03 |
| Commission to Non-Executive Directors | | |
| Mr. Saroj Kumar Poddar | 0.18 | 0.10 |
| Mr. Shyam Sunder Bhartia | 0.18 | - |
| Mr. Chandra Shekhar Nopany | 0.18 | 0.10 |
| Mr. Vivek Mehra | 0.18 | 0.10 |
| Mr. Pradeep Jyoti Banerjee | 0.18 | 0.10 |
| Ms. Rita Menon | 0.18 | 0.10 |
| Mr. Berjis Minoo Desai | 0.18 | 0.10 |
| Sitting Fees to Non-Executive Directors | | |
| Mr. Saroj Kumar Poddar | 0.02 | 0.04 |
| Mr. Chandra Shekhar Nopany | 0.03 | 0.05 |
| Mr. Vivek Mehra | 0.05 | 0.07 |
| Mr. Pradeep Jyoti Banerjee | 0.06 | 0.08 |
| Ms. Rita Menon | 0.05 | 0.06 |
| Mr. Berjis Minoo Desai | 0.03 | 0.06 |

* The liabilities for the gratuity, leave, post retirement medical benefits, long service award scheme and settlement allowance are provided on an actuarial basis and determined for the Parent Company as a whole rather than for each of the individual employees. Accordingly, the said liabilities cannot be ascertained separately for Managing Director, Chief Financial Officer and Company Secretary, hence not included, except for the amount actually paid.

III Outstanding Balances from / to Related Parties**(A) Joint Venture**

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---------------------------------------|-------------------------|-------------------------|
| Other Current Financial Assets | | |
| Indo Maroc Phosphore, S.A. - IMACID | 0.22 | 0.08 |
| Total | 0.22 | 0.08 |

(B) Post Employment Benefit Plans

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--------------------------------------|-------------------------|-------------------------|
| Other Current Liabilities | | |
| India Steamship Staff Provident Fund | 0.00 | 0.00 |
| Total | 0.00 | 0.00 |

(C) Key Management Personnel

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|------------------------------------|-------------------------|-------------------------|
| Other Financial Liabilities | | |
| Mr. Abhay Baijal | - | 0.00 |
| Total | - | 0.00 |
| Other Current Liabilities | | |
| Mr. Saroj Kumar Poddar | 0.16 | 0.09 |
| Mr. Shyam Sunder Bhartia | 0.16 | - |
| Mr. Chandra Shekhar Nopany | 0.16 | 0.09 |
| Mr. Vivek Mehra | 0.16 | 0.09 |
| Mr. Pradeep Jyoti Banerjee | 0.16 | 0.09 |
| Ms. Rita Menon | 0.16 | 0.09 |
| Mr. Berjis Minoo Desai | 0.16 | 0.09 |

Note 1: Transactions relating to dividends were on the same terms and conditions that applied to other shareholders. Further, transactions with related parties are in the ordinary course of business and are on arm's length basis.

Note 2: Transactions and balances with the Subsidiaries and Joint Venture to the extent eliminated on consolidation are not included.

Note 3: Outstanding balances are unsecured and their settlement occurs in cash. Further, no loss allowances were made against such balances.

31 Gratuity and Other Employment Benefit Plans:
Accounting Policy

- (i) Provident fund of the Group except erstwhile shipping division of the Parent Company is a defined contribution scheme with effect from September 01, 2021, as the Parent Company had initiated the process of surrender of exemption granted to CFCL Employees Provident Fund Trust and transferred the accumulated provident fund balance of employees to the fund administered and managed by the Government of India. Thus, the Parent Company makes monthly contributions at prescribed rates towards Provident Fund to a Fund administered and managed by the Government of India. The Parent Company has no further obligations once the contributions have been made.

Further, during the current Financial Year, Provident fund of Erstwhile Shipping Division of the Parent Company has initiated the process of surrender of exemption granted to India Steamship Staff Provident Fund and transferred the accumulated provident fund balance of employee to the fund administered and managed by the Government of India. Thus, Erstwhile Shipping Division of the Parent Company is a defined contribution scheme with effect from October 01, 2024 and the division makes monthly contributions at prescribed rates towards Fund administered and managed by the Government of India.

The Group's contribution paid / payable during the year to Pension Fund, Provident Fund and Superannuation Fund are recognised in the Statement of Profit and Loss.

Pension Fund of all components of the Group is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group 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.

- (ii) Superannuation Fund is a defined contribution scheme. Liability in respect of Superannuation Fund to the concerned employees of the Parent Company is accounted for as per the Group's Scheme and contributed to concerned insurers every year. The group does not have any other obligation, other than the contribution payable to the superannuation fund. The group recognizes contribution payable to the superannuation 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.
- (iii) Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Gratuity plan of the Parent Company is funded with insurance companies to cover the gratuity liability of the employees. The step down subsidiary of CVL has also taken an insurance policy to cover the gratuity liability of the employees. The difference between the actuarial valuation of the gratuity of employees at the year-end and the balance of funds with insurance companies is provided for as liability in the books.

- (iv) Retirement benefit in the form of post-retirement medical benefits is a defined benefit obligation of the Parent Company and is provided for on the basis of actuarial valuation on projected unit credit method made at the end of each financial year.
- (v) Accumulated leaves, which are expected to be utilized within the next 12 months, are treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Group treats accumulated leaves expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The Group presents the entire leaves as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.
- (vi) Long service awards are other long-term benefits accruing to all eligible employees of the Parent Company, as per Parent Company's scheme. The cost of providing benefit under long service awards scheme is determined on the basis of actuarial valuation using the projected unit credit method at the reporting date. This is unfunded defined benefit scheme.
- (vii) Settlement allowance are other long-term benefits accruing to the eligible employees of the Parent Company, as per Parent Company's scheme. The cost of providing benefit under settlement allowance is determined on the basis of actuarial valuation using the projected unit credit method at the reporting date. This is unfunded defined benefit scheme.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefits expense in the Statement of Profit and Loss..

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and such re-measurement gains / (losses) are not reclassified to the Statement of Profit and Loss in the subsequent periods. They are included in retained earnings in the Statement of Changes in Equity.

Disclosure of Post Employment Benefit Plans:

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| Gratuity Plan - (Liability) | (3.07) | (23.97) |
| Provident Fund - Asset * | - | 2.79 |
| Post Retirement Medical Benefits Plan - (Liability) | (8.81) | (7.73) |

* Plan asset of Nil (Previous Year: Rs. 2.79 Crore) has not been recognised in the financial statements, as the surplus of the trust, is distributable among the beneficiaries of the provident fund trust.

a) Gratuity

- (i) The Parent Company has a defined benefit gratuity plan. Benefit is being paid as under-
 - A) In case of retirement or death while in service, the gratuity will be payable as under:
 - i) Completed continuous service of 5 years and above upto 20 years – gratuity equivalent to 15 days last drawn salary for each completed year of service.
 - ii) Completed continuous service of above 20 years – gratuity equivalent to 15 days last drawn salary for first 20 years and 20 days last drawn salary for each completed year of service after 20 years.
 - B) In case of resignation or termination of an employee, where the employee has completed 5 years of continuous service with the Parent Company, gratuity equivalent to 15 days last drawn salary for each completed year of service shall be payable.

The Scheme is funded with insurance company in the form of a qualifying insurance policy. The fund has the form of a trust and it is governed by the Board of Trustees.
- ii) In case of erstwhile Shipping Division of the Parent Company, the Parent Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at the rate of 15 to 30 days last drawn salary for each completed year of service. The Scheme is funded with insurance company in the form of qualifying insurance policy except in the case of crew employees of the division. The fund has the form of a trust and it is governed by the Board of Trustees.

The Board of Trustees of Gratuity Trust of the Parent Company are responsible for the administration of the plan assets of Parent Company and for the definition of the investment strategy. The Board of Trustees reviews the level of funding

and investment and such a review includes the asset-liability matching strategy and investment risk management policy. The Board of Trustees decides the contribution based on the results of the review. Generally, they aim to have a portfolio mix of equity instruments and debt instruments.

b) Post Retirement Medical Benefit

The Parent Company has post retirement medical benefit schemes in the nature of defined benefit plan which is unfunded.

c) Provident Fund

The Parent Company had set up provident fund trusts, which were managed by the Trustees. Provident funds set up by employers, which requires interest shortfall to be met by the employer, has been treated as defined benefit plan till August 31, 2021. During the earlier year, the Parent Company had initiated the process of surrender of exemption granted to CFCL Employees' Provident Fund and transferred the accumulated provident fund balance of employees to the Regional Provident Fund Commissioner ('RPFC'). In view of the above, the Parent Company remits the monthly contribution of Provident Fund to RPFC with effect from September 01, 2021. Therefore, contribution to Provident Fund is treated as Defined Contribution Plan with effect from September 01, 2021 except contribution to Provident Fund of erstwhile shipping division of the Parent Company.

Further, during the current Financial Year, Provident fund of Erstwhile Shipping Division of the Parent Company has initiated the process of surrender of exemption granted to India Steamship Staff Provident Fund and transferred the accumulated provident fund balance of employee to the Regional Provident Fund Commissioner ('RPFC'). In view of the above, the Division remits the monthly contribution of Provident Fund to RPFC with effect from October 01, 2024. Therefore, contribution to Provident Fund is treated as Defined Contribution Plan with effect from October 01, 2024.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Changes in the Defined Benefit Obligation and Fair Value of Plan Assets as at March 31, 2025: (Rs. in Crore)

| Particulars | As at April 01, 2024 | Service Cost | Net Interest Expense | Sub-total included in Profit or Loss | Benefits 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 | Experience Adjustments | Subtotal included in OCI | Settlement/ Transfer In | Contributions by Employer | Effects of Exchange Rate Changes | As at March 31, 2025 |
|--|----------------------|---|----------------------|--------------------------------------|---------------|--|---|---|------------------------|--------------------------|-------------------------|---------------------------|----------------------------------|----------------------|
| | | Cost charged to Consolidated Statement of Profit and Loss | | | | Re-measurement Gains / (Losses) in OCI | | | | | | | | |
| (A) Gratuity Plan: | | | | | | | | | | | | | | |
| Defined Benefit Obligation | (49.00) | (3.12) | (3.51) | (6.63) | 3.73 | - | - | - | (0.48) | (0.48) | - | - | - | (52.38) |
| Fair Value of Plan Assets | 25.03 | - | 1.81 | 1.81 | (3.73) | 1.50 | - | - | - | 1.50 | - | 24.70 | - | 49.31 |
| Benefit (Liability) | (23.97) | - | - | (4.82) | - | - | - | - | - | 1.02 | - | 24.70 | - | (3.07) |
| (B) Post Retirement Medical Benefits Plan: | | | | | | | | | | | | | | |
| Defined Benefit Obligation | (7.73) | (0.43) | (0.56) | (0.99) | 0.35 | - | - | - | (0.44) | (0.44) | - | - | - | (8.81) |
| Fair Value of Plan Assets | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Benefit (Liability) | (7.73) | - | - | (0.99) | 0.35 | - | - | - | - | (0.44) | - | - | - | (8.81) |

Changes in the Defined Benefit Obligation and Fair Value of Plan Assets as at March 31, 2024: (Rs. in Crore)

| Particulars | As at April 01, 2023 | Service Cost | Net Interest Expense | Sub-total included in Profit or Loss | Benefits 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 | Experience Adjustments | Subtotal included in OCI | Settlement/ Transfer In | Contributions by Employer | Effects of Exchange Rate Changes | As at March 31, 2024 |
|--|----------------------|---|----------------------|--------------------------------------|---------------|--|---|---|------------------------|--------------------------|-------------------------|---------------------------|----------------------------------|----------------------|
| | | Cost charged to Consolidated Statement of Profit and Loss | | | | Re-measurement Gains/(Losses) in OCI | | | | | | | | |
| (A) Gratuity Plan: | | | | | | | | | | | | | | |
| Defined Benefit Obligation | (43.49) | (2.94) | (3.25) | (6.19) | 2.03 | - | - | - | (1.34) | (1.34) | - | - | (0.01) | (49.00) |
| Fair Value of Plan Assets | 25.04 | - | 1.87 | 1.87 | (2.03) | 0.15 | - | - | - | 0.15 | - | - | 0.00 | 25.03 |
| Benefit (Liability) | (18.45) | | | (4.32) | - | | | | | (1.19) | - | - | (0.01) | (23.97) |
| (B) Post Retirement Medical Benefits Plan: | | | | | | | | | | | | | | |
| Defined Benefit Obligation | (5.33) | (0.41) | (0.40) | (0.81) | 0.33 | - | - | - | (1.92) | (1.92) | - | - | - | (7.73) |
| Fair Value of Plan Assets | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Benefit (Liability) | (5.33) | | | (0.81) | 0.33 | | | | | (1.92) | - | - | - | (7.73) |

The Group expects to contribute Rs. 3.47 Crore (Previous Year : Rs. 4.80 Crore) to gratuity trust respectively in the next financial year.

Provident Fund:

Changes in the Defined Benefit obligation and Fair Value of Plan Assets as at March 31, 2025 and March 31, 2024:

(Rs. in Crore)

| Particulars | As at March 31, 2025 | | | As at March 31, 2024 | | |
|--|----------------------------|---------------------------|-------------------|----------------------------|---------------------------|-------------------|
| | Defined Benefit Obligation | Fair Value of Plan Assets | Net Benefit Asset | Defined Benefit Obligation | Fair Value of Plan Assets | Net Benefit Asset |
| Opening Balance | (2.13) | 4.92 | 2.79 | (2.05) | 4.44 | 2.39 |
| Service Cost | (0.01) | - | (0.01) | (0.02) | - | (0.02) |
| Net Interest Expense | (0.07) | 0.30 | 0.23 | (0.13) | 0.53 | 0.40 |
| Benefits Paid | - | - | - | 0.09 | (0.09) | - |
| Return on Plan Assets (excluding amounts included in Net Interest Expense) | - | - | - | - | - | - |
| Actuarial Changes arising from changes in Financial Assumptions | - | - | - | - | - | - |
| Experience Adjustments | - | - | - | - | - | - |
| Settlement / Transfer in * | 2.22 | (5.24) | (3.02) | - | - | - |
| Contributions by Plan Participant / Employees | (0.01) | 0.01 | - | (0.02) | 0.02 | - |
| Contributions by Employer | - | 0.01 | 0.01 | - | 0.02 | 0.02 |
| Closing Balance | - | - | - | (2.13) | 4.92 | 2.79 |

* The accumulated provident fund balance of erstwhile shipping division of the Parent Company transferred to RPFC.

The principal assumptions used in determining gratuity, provident fund and post-employment medical benefit obligations for the Group's plans are shown below:

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| | % | % |
| Discount Rate: | | |
| Gratuity Plan | 6.96 | 7.23 |
| Post Retirement Medical Benefits | 6.96 | 7.23 |
| Future Salary Increase: | | |
| Gratuity Plan | 7.50 | 7.50 |
| Medical Cost Escalation Rate: | | |
| Post Retirement Medical Benefits Cost Increase | 3.00 | 3.00 |
| Life Expectation for: | | |
| Post Retirement Medical Benefits | | |
| Male | 17.04 | 17.31 |
| Female | 20.48 | 21.67 |

A quantitative sensitivity analysis for significant assumptions as at March 31, 2025 is shown below:

Gratuity Plan of the Group:

| Particulars | Year Ended March 31, 2025 | | | |
|---|---------------------------|----------------|------------------------|----------------|
| | Discount Rate | | Future Salary Increase | |
| Sensitivity Level | 0.50% Increase | 0.50% Decrease | 0.50% Increase | 0.50% Decrease |
| Impact on Defined benefit Obligation (Increase) / Decrease (Rs. in Crore) | 1.94 | (2.10) | (2.05) | 1.92 |

Post Retirement Medical Benefits Plan of the Parent Company:

| Particulars | Year Ended March 31, 2025 | | | |
|---|---------------------------|----------------|------------------------------|----------------|
| | Discount Rate | | Medical Cost Escalation Rate | |
| Sensitivity Level | 0.50% Increase | 0.50% Decrease | 0.50% Increase | 0.50% Decrease |
| Impact on Defined benefit Obligation (Increase) / Decrease (Rs. in Crore) | 0.64 | (0.68) | (0.69) | 0.65 |

A quantitative sensitivity analysis for significant assumptions as at March 31, 2024 is shown below:

Gratuity Plan for the Group:

| Particulars | Year Ended March 31, 2024 | | | |
|---|---------------------------|----------------|------------------------|----------------|
| Assumption | Discount Rate | | Future Salary Increase | |
| Sensitivity Level | 0.50% Increase | 0.50% Decrease | 0.50% Increase | 0.50% Decrease |
| Impact on Defined Benefit Obligation (Increase) / Decrease (Rs. in Crore) | 1.83 | (1.97) | (1.93) | 1.81 |

Post Retirement Medical Benefits Plan for the Parent Company:

| Particulars | Year Ended March 31, 2024 | | | |
|---|---------------------------|----------------|------------------------------|----------------|
| Assumption | Discount Rate | | Medical Cost Escalation Rate | |
| Sensitivity Level | 0.50% Increase | 0.50% Decrease | 0.50% Increase | 0.50% Decrease |
| Impact on Defined Benefit Obligation (Increase) / Decrease (Rs. in Crore) | 0.58 | (0.61) | (0.61) | 0.58 |

Sensitivities due to mortality and withdrawals are not material and hence impact of change is not calculated.

Sensitivities as to rate of inflation, rate of increase of pension payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 14.71 years for Gratuity Plan and 14.71 years for Post Retirement Medical Benefits Plan (Previous Year : 14.70 years for Gratuity Plan and 14.64 years for Post Retirement Medical Benefits Plan).

Investment Pattern in Plan Assets:

| Particulars | Gratuity | |
|-------------------------------|------------------------|------------------------|
| | Financial Year 2024-25 | Financial Year 2023-24 |
| Investments with Insurers (%) | 100% | 100% |

Maturity Profile of Defined Benefit Obligation:

(Rs. in Crore)

| Particulars | Within the Next 12 Months | Between 2 and 5 Years | Between 5 and 10 Years | Beyond 10 Years |
|---------------------------------------|---------------------------|-----------------------|------------------------|-----------------|
| As at March 31, 2025 | | | | |
| Gratuity Fund | 5.51 | 16.77 | 16.23 | 13.02 |
| Provident Fund | - | - | - | - |
| Post Retirement Medical Benefits Plan | 0.41 | 2.02 | 2.55 | 3.83 |
| As at March 31, 2024 | | | | |
| Gratuity Fund | 4.87 | 16.25 | 14.06 | 13.82 |
| Provident Fund | - | - | - | - |
| Post Retirement Medical Benefits Plan | 0.31 | 1.76 | 2.32 | 3.34 |

Contribution to Defined Contribution Plans :

(Rs. in Crore)

| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
|-------------------------|---------------------------|---------------------------|
| Provident Fund | 6.34 | 6.01 |
| Pension Fund | 1.47 | 1.47 |
| National Pension System | 2.88 | 2.24 |

32 Rights, Preference and Restrictions attached to Redeemable Preference Shares and Details about Share Warrants

Preference shareholders carry voting rights on an as converted basis with ordinary shareholders, except for key governance protections outlined in the Articles of Association of CFCL Ventures Limited (CVL), a subsidiary of the Parent Company, in which case each class votes separately on an as converted basis as per the terms of the preference shareholders agreement. Further, preference shareholders carry preferential dividend rights over ordinary shares if declared by the Board of Directors and priority over ordinary shares in the event of any liquidation, dissolution or winding up of the affairs of CVL.

Within ninety (90) days after the receipt of a written request from members holding not less than a majority of the then outstanding preference shares, voting together on an as converted basis, that all preference shares be redeemed (such date within such ninety (90) days period being the "Redemption Date") and concurrently with the surrender by the holders of outstanding preference shares of the certificates representing such preference shares, CVL shall, to the extent it may lawfully do so, redeem all of the then outstanding preference shares by paying an amount in cash per preference share to be redeemed equal to the greater of (i) the original purchase price per share (subject to adjustment for any Recapitalizations) and (ii) the fair market value of such preference share as of the Redemption Date, as determined by an independent third-party investment bank or similar financial service provider agreed to by CVL and the holders of at least a majority of the preference shares then outstanding, voting together on an as-converted basis.

If, on the Redemption Date, the funds of CVL legally available for redemption of preference shares are insufficient to redeem all outstanding preference shares, those funds that are legally available will be used to make payment to the holders of preference shares on a pro-rata basis in proportion to the number of preference shares then held by such members. Any preference shares not redeemed shall remain outstanding and shall be entitled to all the rights and preferences provided herein. At any time thereafter when additional funds of CVL are legally available for the redemption of the preference shares, such funds will immediately be used to redeem the balance of the preference shares not redeemed on the Redemption Date in the manner and in the order set forth in the preceding sentence.

Each holder of Preference Shares shall be entitled to convert any or all of its Preference Shares, at any time, without the payment of any additional consideration, into such number of fully paid Ordinary Shares as is determined by multiplying the number of Preference Shares by a fraction determined by dividing the Original Purchase Price by the Conversion Price determined in each case, in effect at the time of conversion. Any conversion of Preference Shares made pursuant to these Articles shall be effected by the redemption of the relevant number of Preference Shares and the issuance of an appropriate number of Ordinary Shares.

Share Warrants

The subsidiary of the Parent Company, CFCL Ventures Limited is having below share warrants:

| Particulars | As at March 31, 2025 | | As at March 31, 2024 | |
|----------------------------|----------------------|---------------|----------------------|---------------|
| | Exercise price (USD) | No. of shares | Exercise price (USD) | No. of shares |
| Series H Preference shares | - | - | 0.01 | 5,14,281 |
| Series I Preference shares | 0.01 | 16,13,333 | 0.01 | 16,13,333 |

None of the warrants have been exercised by the warrant holders of the CFCL Ventures Limited.

33 Subsidies

- (a) Nitrogenous Fertilisers are under the Concession Prices for urea under New Urea Policy 2015, New Pricing Scheme – Stage III, New Investment Policy 2012 (amended), Modified New Pricing Scheme - Stage - III and Uniform Freight Policy, which were further adjusted for input price escalation / de-escalation, as estimated on the basis of the prescribed norms in line with known policy parameters.

Contribution from sale of surplus ammonia has been accounted for in accordance with the known policy parameters.

Current year's subsidy income of Urea has been increased by Rs. 2.07 Crore (Previous Year: Rs. 31.00 Crore), pertaining to earlier years, but determined during the year.

- (b) Subsidy on Phosphatic and Potassic (P&K) fertilisers has been accounted for as per the concession rates based on Nutrient Based Subsidy Policy and Freight Subsidy has been accounted for in line with the policy, notified by the Government of India.

34 Leases

Accounting Policy

Group as a lessee:

Leases are recognised as a right-of-Use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable.
- Variable lease payments.

- Amount expected to be payable by the Group under residual value guarantees, if any.
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Right-of-Use assets are measured at cost comprising the following:

- The amount of initial measurement of lease liability.
- Any lease payment made at or before the commencement date less any lease incentive received.
- Any initial direct cost and restoration cost.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise information technology / computer equipment and small items of office furniture.

This note provides information for the Group leases where the Group is a lessee. The Group leases various offices and lease periods are generally fixed ranging from eleven months to nine years, but may have extension options.

Amounts recognised in the Consolidated Statement of Profit and Loss relating to Leases

(Rs. in Crore)

| Particulars | For the Year Ended March 31, 2025 | For the Year Ended March 31, 2024 |
|---|--------------------------------------|--------------------------------------|
| Depreciation charge for Right-of-Use Assets | 4.92 | 5.04 |
| Interest expense (included in Finance Costs) | 0.88 | 0.88 |
| Expense relating to short term leases (included in Other Expenses) | 6.92 | 8.77 |
| Expense relating to leases of low - value assets that are not shown above as short term leases (included in Other Expenses) | - | - |
| Expense relating to variable lease payments not included in Lease Liabilities | - | - |

Amount recognised in the Statement of Consolidated Statement of Cash Flows

(Rs. in Crore)

| Particulars | For the Year Ended March 31, 2025 | For the Year Ended March 31, 2024 |
|-------------------------------|--------------------------------------|--------------------------------------|
| Total cash outflow for leases | 5.65 | 5.68 |

Additions / Net Book Value pertaining to the Right-of-Use Assets are as follows:

Property, Plant and Equipment comprises owned and leased assets that do not meet the definition of investment property.

(Rs. in Crore)

| Particulars | Financial Year - 2024-25 | Financial Year - 2023-24 |
|---|-----------------------------|-----------------------------|
| Property, Plant and Equipment comprises: | | |
| Right-of-Use Assets - Additions during the year | 1.72 | 2.05 |
| Right-of-Use Assets - Net Book Value | 14.51 | 18.61 |

Maturity analysis of Lease Liabilities

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| Payable within one year | 6.90 | 5.74 |
| Payable after one year but not more than five years | 12.62 | 15.51 |
| Payable after more than five years | 1.83 | 3.56 |
| Total undiscounted Lease Liabilities | 21.35 | 24.81 |
| Non-Current | 14.45 | 19.07 |
| Current | 6.90 | 5.74 |
| Carrying Value | 16.43 | 20.38 |
| Non-Current | 11.48 | 15.42 |
| Current | 4.95 | 4.96 |

The Group has discounted lease payments using the applicable incremental borrowing rate as of 7.11% per annum (Previous Year: 7.06% per annum) for measuring the Lease Liabilities.

35 Details of dues to Micro and Small Enterprises as per 'The Micro, Small and Medium Enterprise Development Act, 2006' (MSMED) :

(Rs. in Crore)

| Particulars | Financial Year 2024-25 | Financial Year 2023-24 |
|--|---------------------------|---------------------------|
| The principal amount due and remaining unpaid to any supplier as at the end of each accounting year {including payable for capital goods of Rs. 6.45 Crore (Previous Year : Rs. 14.19 Crore)}; | 37.57 | 45.80 |
| The interest due on unpaid principal amount remaining as at the end of each accounting year; | - | - |
| Principal amounts paid to suppliers registered under the MSMED beyond the appointed day during the year; | - | - |
| The amount of interest paid by the buyer in terms of Section 16 of the MSMED beyond the appointed day during each accounting year. | - | - |
| Interest paid, other than under Section 16 of MSMED to suppliers registered under the MSMED beyond the appointed day during the year; | - | - |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED; | - | - |
| The amount of interest accrued and remaining unpaid at the end of each accounting year; and | - | - |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductive expenditure under Section 23 of the MSMED. | - | - |

36 Share Based Payments

Employees Stock Option Scheme

The shareholders of the Parent Company had approved CFCL Employees Stock Option Scheme, 2010 on August 27, 2010 which was amended by the shareholders on September 13, 2013 and the revised CFCL Employees Stock Option Scheme, 2010 (ESOS) was approved by the shareholders on September 15, 2015. As per ESOS, 4,162,000 Stock Options can be issued to Whole-time Director / Managing Director and other specified categories of employees of the Parent Company. The options are to be granted at market price. The market price was taken as the closing price on the day preceding the date of grant of options, on the stock exchange where the trading volume is the highest. Each option, upon vesting, shall entitle the holder to acquire 1 equity share of Rs.10 of the Parent Company.

Details of the scheme are as under:

| Particulars | Tranche 1 | Tranche 2 | Tranche 3 | Tranche 4 | Tranche 5 |
|--------------------------------------|---|---|---|---|---|
| Date of Grant | 16-Sep-2010 | 22-Jan-2011 | 10-May-2011 | 17-Oct-2011 | 11-May-2012 |
| Number of Options Granted | 28,50,000 | 3,00,000 | 2,20,000 | 1,00,000 | 2,70,000 |
| Method of Settlement (Cash / Equity) | Equity | Equity | Equity | Equity | Equity |
| Exercise Period* | 8 years from the date of vesting | 8 years from the date of vesting | 8 years from the date of vesting | 8 years from the date of vesting | 8 years from the date of vesting |
| Vesting Conditions | Continued employment and individual performance | Continued employment and individual performance | Continued employment and individual performance | Continued employment and individual performance | Continued employment and individual performance |

* In case of death / permanent incapacity / superannuation of the employee, 3 years from the date of death / permanent incapacity/ superannuation or expiry of exercise period, whichever is earlier.

Vesting Schedule:

| Vesting Date | All tranches |
|--------------------------------|--------------|
| 1 year from the date of grant | 15% |
| 2 years from the date of grant | 15% |
| 3 years from the date of grant | 20% |
| 4 years from the date of grant | 25% |
| 5 years from the date of grant | 25% |

Movement in options is summarized below:

| Particulars | Financial Year 2024-25 | Financial Year 2023-24 |
|--|---------------------------|---------------------------|
| | No. of options | No. of options |
| Outstanding at the beginning of the year | - | 68,000 |
| Granted during the year | - | - |
| Forfeited during the year | - | - |
| Exercised during the year | - | 68,000 |
| Expired during the year | - | - |
| Outstanding at the end of the year | - | - |
| Exercisable at the end of the year | - | - |
| Weighted average remaining contractual life (in years) | - | - |
| Weighted average Exercise price (in Rs.) | - | 74.76 |

The details of Exercise Price of Stock Options Outstanding as at March 31, 2025 are as under:

| Tranche | Weighted Average Fair Value of Options (in Rs.) | Range of Exercise Price (in Rs.) | Number of Options Outstanding | Weighted Average remaining Contractual Life of Options (in years) | Weighted Average Exercise Price (in Rs.) |
|---------|---|--|-------------------------------------|---|--|
| 1 | - | - | - | - | - |
| 2 | - | - | - | - | - |
| 3 | - | - | - | - | - |
| 4 | - | - | - | - | - |
| 5 | - | - | - | - | - |

The details of Exercise Price of Stock Options Outstanding as at March 31, 2024 are as under:

| Tranche | Weighted Average Fair Value of Options (in Rs.) | Range of Exercise Price (in Rs.) | Number of Options Outstanding | Weighted Average remaining Contractual Life of Options (in years) | Weighted Average Exercise Price (in Rs.) |
|---------|---|--|-------------------------------------|---|--|
| 1 | 31.38 | 73.50 | - | - | 73.50 |
| 2 | 32.86 | 76.85 | - | - | 76.85 |
| 3 | 38.44 | 82.90 | - | - | 82.90 |
| 4 | 45.06 | 101.10 | - | - | 101.10 |
| 5 | 34.97 | 69.40 | - | - | 69.40 |

Stock Options Granted

The weighted average fair value of stock options granted was Nil (Previous Year Rs. 32.54 per option). The Black Scholes Valuation Model has been used for computing the weighted average fair value considering the following inputs:

As at March 31, 2025:-

| Particulars | Tranche 1 | Tranche 2 | Tranche 3 | Tranche 4 | Tranche 5 |
|--|-----------|-----------|-----------|-----------|-----------|
| Weighted Average Share Price (Rs.) | - | - | - | - | - |
| Exercise Price (Rs.) | - | - | - | - | - |
| Expected Volatility | - | - | - | - | - |
| Life of the Options Granted (vesting and exercise period) in years | - | - | - | - | - |
| Average Risk-Free Interest rate | - | - | - | - | - |
| Expected Dividend Yield | - | - | - | - | - |

As at March 31, 2024:-

| Particulars | Tranche 1 | Tranche 2 | Tranche 3 | Tranche 4 | Tranche 5 |
|--|-----------|-----------|-----------|-----------|-----------|
| Weighted Average Share Price (Rs.) | 73.50 | 76.85 | 82.90 | 101.10 | 69.40 |
| Exercise Price (Rs.) | 73.50 | 76.85 | 82.90 | 101.10 | 69.40 |
| Expected Volatility | 37.12% | 37.30% | 37.46% | 38.09% | 37.94% |
| Life of the Options Granted (vesting and exercise period) in years | - | - | - | - | - |
| Average Risk-Free Interest rate | 7.71% | 7.72% | 7.73% | 7.76% | 7.79% |
| Expected Dividend Yield | 3.45% | 3.45% | 3.45% | 3.45% | 3.45% |

The expected volatility was determined based on historical volatility data. For calculating volatility, the Parent Company had considered the daily volatility of the stock prices of the Parent Company on National Stock Exchange of India Limited over a period prior to the date of grant, corresponding with the expected life of the options.

In financial year 2010-11, CFCL Employees Welfare Trust ("Trust") was constituted, inter alia, for the purpose of subscribing or acquiring equity shares of the Parent Company from the Parent Company or Secondary market, to hold the shares and to allocate or transfer these shares to eligible employees of the Parent Company from time to time on the terms and conditions specified under the Employees stock option scheme. The Board of Directors at its meeting held on May 08, 2010 had approved grant of financial assistance upto Rs. 30.00 Crore by the Parent Company to Trust in such manner and on such terms as agreed between the trustee(s) of the Trust and Managing Director of the Parent Company for the purpose of subscribing or acquiring shares of the Parent Company. In Previous Financial Year all the outstanding options have been exercised, accordingly Trust is not holding any equity shares of the Parent Company.

37 Interest in Other Entities:

(A) Interest in Joint Venture

The Group has 33.33% ownership interest in Indo Maroc Phosphore S.A. - IMACID (IMACID), which is engaged in manufacturing of phosphoric acid. IMACID is registered in Morocco. The Group's interest in IMACID is accounted for using the equity method in the consolidated financial statements.

Summarised financial information of the joint venture, based on its financial information and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Summarised Balance Sheet:

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| Current Assets, including Cash and Cash Equivalents- Rs. 843.88 Crore (Previous Year : Rs. 1240.83 Crore) | 2,000.45 | 2,600.25 |
| Non-Current Assets | 321.44 | 292.58 |
| Current Liabilities, including Trade Payables- Rs. 567.22 Crore (Previous Year : Rs.1,260.31 Crore) | 646.45 | 1,350.92 |
| Non-Current Liabilities | 43.60 | 44.51 |
| Equity | 1,631.84 | 1,497.40 |
| Proportion of the Group's Ownership | 33.33% | 33.33% |
| Carrying amount of the Investment | 543.95 | 499.13 |

Reconciliation of Carrying amount of the Investment in Joint Venture

(Rs. in Crore)

| Particulars | Amount |
|---|---------------|
| Carrying amount of the Investment as on March 31, 2024 | 499.13 |
| Less: Dividend Received from Joint Venture during the year | 138.90 |
| Add: Share of Profit of Joint Venture for the year | 131.70 |
| Add: Exchange Differences on Translation for the year | 52.02 |
| Carrying amount of the Investment as on March 31, 2025 | 543.95 |

Summarised Statement of Profit and Loss of the Joint Venture :

(Rs. in Crore)

| Particulars | For the Financial Year Ended March 31, 2025 | For the Financial Year Ended March 31, 2024 |
|---|--|--|
| Income | | |
| Revenue | 3,773.99 | 2,918.24 |
| Other Income | (12.65) | (12.17) |
| Total Revenue | 3,761.34 | 2,906.07 |
| Expenses: | | |
| Cost of Materials Consumed | 2,732.75 | 2,232.31 |
| Changes in Inventories of Work-in-Progress and Finished Goods | 0.89 | (10.01) |

(Rs. in Crore)

| Particulars | For the Financial Year Ended March 31, 2025 | For the Financial Year Ended March 31, 2024 |
|--|--|--|
| Employee Benefits Expense | 73.16 | 63.85 |
| Finance Costs | (20.95) | (25.51) |
| Depreciation and Amortization Expenses | 61.95 | 61.96 |
| Other Expenses | 314.14 | 223.47 |
| Total Expenses | 3,161.94 | 2,546.07 |
| Profit Before Exceptional items and Tax | 599.40 | 360.00 |
| Exceptional Items Expense | (20.37) | (23.35) |
| Profit Before Tax | 579.03 | 336.65 |
| Tax Expense: | | |
| Current Tax | 183.68 | 94.22 |
| Deferred Tax | 0.25 | 1.10 |
| Profit for the Year | 395.10 | 241.33 |
| Group's Share of Profit for the Year | 131.70 | 80.44 |
| Dividend received from Joint Venture | 138.90 | 136.18 |

The Group has no contingent liabilities or capital commitments relating to its interest in IMACID as at March 31, 2025 and March 31, 2024. The joint venture has no other contingent liabilities as at March 31, 2025 and March 31, 2024. The joint venture has capital commitment of Rs. 19.62 Crore as at March 31, 2025 (Previous Year : Rs. 20.69 Crore).

The consolidated financial statement includes group's share of net profit of joint venture.

(B) Non- Controlling Interest (NCI)

Financial information of a subsidiary company that has material non-controlling interest is provided below:

Proportion of equity interest held by Non-Controlling Interest:

| Particulars | Country of Incorporation and Operations | As at March 31, 2025 | As at March 31, 2024 |
|-----------------------|--|-------------------------|-------------------------|
| CFCL Ventures Limited | Cayman Islands | 27.73% | 27.73% |

Information regarding Non-Controlling Interest

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Accumulated balances of material Non-Controlling Interest | | |
| CFCL Ventures Limited | (16.03) | (15.49) |
| Profit / (Loss) allocated to material Non-Controlling Interest: | | |
| CFCL Ventures Limited | (0.12) | (0.05) |

The summarised financial information of aforesaid subsidiary is provided below. This information is based on amounts before inter-company eliminations.

Summarised Statement of Profit and Loss:

(Rs. in Crore)

| Particulars | For the Financial Year Ended March 31, 2025 | For the Financial Year Ended March 31, 2024 |
|---------------------------|--|--|
| Income | | |
| Other Income | 0.43 | 0.70 |
| Total Revenue | 0.43 | 0.70 |
| Expenses: | | |
| Employee Benefits Expense | - | - |
| Other Expenses | 0.86 | 0.87 |
| Total Expenses | 0.86 | 0.87 |

(Rs. in Crore)

| Particulars | For the Financial Year Ended March 31, 2025 | For the Financial Year Ended March 31, 2024 |
|---|--|--|
| Profit / (Loss) Before Tax | (0.43) | (0.17) |
| Tax Expense: | | |
| Current Tax | - | - |
| Deferred Tax Charge | - | - |
| Income Tax Expense | - | - |
| Profit after tax | (0.43) | (0.17) |
| Other Comprehensive Income (Net of Income Tax) | (0.13) | (0.08) |
| Total Comprehensive Income | (0.56) | (0.25) |
| Profit allocated to Non-Controlling Interest | (0.12) | (0.05) |
| Other Comprehensive Income allocated to Non-Controlling Interest | (0.42) | (0.25) |
| Total comprehensive income allocated to Non-Controlling Interest | (0.54) | (0.30) |

Summarised Balance Sheet:

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| Financial Assets and Other Current Assets (Current) | 10.19 | 10.56 |
| Other Non-Current Assets (Non-Current) | 4.03 | 4.03 |
| Borrowings, Trade and Other Payables (Current) | 0.25 | 0.40 |
| Interest-bearing Borrowings and Other Non-Current Liabilities (Non-Current) | 912.34 | 890.25 |
| Total Equity | (898.37) | (876.06) |
| Attributable to: | | |
| Non-Controlling Interest | (16.03) | (15.49) |

Summarised Cash Flow Information:

(Rs. in Crore)

| Particulars | For the Financial Year Ended March 31, 2025 | For the Financial Year Ended March 31, 2024 |
|---|--|--|
| Operating Activities | (0.95) | (1.88) |
| Investing Activities | 0.33 | 1.00 |
| Financing Activities | - | - |
| Net (Decrease) / Increase in Cash and Cash Equivalents | (0.62) | (0.88) |

38 Figures pertaining to the subsidiaries have been re-classified wherever considered necessary to bring them in line with the Parent Company's financial statements.

39 Fair Values

The management assessed that fair value of financial assets and liabilities approximates their carrying amount.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- Derivative financial instruments - The fair value of foreign exchange forward contracts is determined using the foreign exchange spot and forward rates at the balance sheet date. The derivatives are entered into with the banks / counterparties with investment grade credit ratings.
- Long Term Security Deposits / Employee Loans - The fair value of security deposits / employee loans approximates the carrying value and hence, the valuation technique and inputs have not been given.
- Floating Rate Borrowings / Lease Liabilities - The fair values of the Parent Company's interest bearing borrowings are determined by using discounted cash flow method using discount rate that reflects the issuer's borrowing rate as at the end

of the reporting period. The own non-performance risk as at March 31, 2025 was assessed to be insignificant. There are no floating rate borrowing as at March 31, 2025.

- (iv) The carrying amount of bank deposits, trade receivables, cash and cash equivalents, investment at amortised cost, other current financial assets, trade payables, fixed rate borrowings and other current financial liabilities are considered to be the same as their fair values, due to their short term nature.
- (v) The fair value of investments carried at fair value through profit and loss is determined using Income Approach, Market Approach and Net Assets Value Method.

40 Fair Value Measurements

Accounting Policy

Derivative Financial Instruments

Initial Recognition and Subsequent Measurement

Derivatives are initially recognised at fair value on the date of derivative contract and are subsequently re-measured at fair value at the end of each reporting period. The resulting gains / losses are recognised in the Consolidated Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of recognition in profit or loss / inclusion in the initial cost of non-financial asset depends on the nature of the hedging relationship and the nature of the hedged item. The Parent Company complies with the principles of hedge accounting where derivative contracts are designated as hedge instruments. At the inception of the hedge relationship, the Parent Company documents the economic relationship between the hedging instrument and the hedged item including whether the changes in the cash flows of the hedging instrument are expected to offset changes in the cash flows of hedged items, along with the risk management objectives and its strategy for undertaking hedge transaction.

The Parent Company has designated certain derivatives as hedge of foreign exchange risk associated with the cash flows of highly probable forecast transactions with borrowings.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

Initial Recognition and Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. 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 Group commits to purchase or sell the asset.

Subsequent Measurement

Debt Instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. For the purposes of subsequent measurement, debt instruments are classified in three categories:

- Debt instruments at amortised cost.
- Debt instruments at fair value through other comprehensive income (FVTOCI); and
- Debt instruments at fair value through profit or loss (FVTPL).

Debt Instruments at amortised cost

A debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised 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 amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt Instruments at FVTOCI

A debt instrument' is classified as at the FVTOCI if both the following conditions are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the Statement of Profit and Loss. Interest earned while holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt Instruments at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity Instruments

For the purposes of subsequent measurement, equity instruments are classified in two categories:

- Equity instruments measured at fair value through profit or loss (FVTPL); and
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

All equity investments are measured at fair value. The Group may make an irrevocable election to present subsequent changes in the fair value in OCI. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

If the Group 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 Statement of Profit and Loss, on derecognition, including sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

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 when:

- The rights to receive cash flows from the asset have expired, or
- The Group 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 (i) the Group has transferred substantially all the risks and rewards of the asset, or (ii) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

The Group assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. Assessment of such credit risk is being made on case-to-case basis based on available information.

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

The allowance for doubtful debts/ advances or impairment of assets is made on case to case basis by considering relevant available information.

(b) Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, as loans and borrowings, as payables, or as derivatives. All financial liabilities are recognised initially at fair value and, in the case of loans

and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including redeemable preference shares and derivative financial instruments.

Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities at fair value through profit or loss (FVTPL) include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. 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 Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 'Financial instruments'.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Loans and Borrowings

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

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another financial liability 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 recognised in the Statement of Profit and Loss.

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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(i) Financial Instruments by Category

(Rs. in Crore)

| Particulars | As at March 31, 2025 | | | As at March 31, 2024 | | |
|--|----------------------|----------|----------------|----------------------|----------|----------------|
| | FVTPL | FVTOCI | Amortised Cost | FVTPL | FVTOCI | Amortised Cost |
| Financial Assets | | | | | | |
| Investments | | | | | | |
| -Equity Shares | 0.02 | - | - | 0.02 | - | - |
| -Mutual Funds | 828.24 | - | - | 1,932.19 | - | - |
| -Government Securities | - | - | 0.00 | - | - | 0.00 |
| Loan to Employees | - | - | 0.06 | - | - | 0.13 |
| Security Deposits | - | - | 5.58 | - | - | 5.47 |
| Trade Receivables | - | - | 367.92 | - | - | 191.56 |
| Cash and Cash Equivalents | - | - | 107.75 | - | - | 109.86 |
| Bank Balances other than Cash and cash equivalents | - | - | 128.82 | - | - | 23.69 |
| Other Current Financial Assets | - | - | 159.14 | - | - | 111.12 |
| Total Financial Assets | 828.26 | - | 769.27 | 1,932.21 | - | 441.83 |
| Financial Liabilities | | | | | | |
| Borrowings - Floating Rate | - | - | - | - | - | 1,773.21 |
| Redeemable Preference Shares | 82.33 | - | - | 80.34 | - | - |
| Trade Payables | - | - | 630.27 | - | - | 793.83 |
| Derivative - Foreign Exchange Forward Contracts | 8.68 | - | - | 0.43 | - | - |

(Rs. in Crore)

| Particulars | As at March 31, 2025 | | | As at March 31, 2024 | | |
|---|----------------------|----------|-----------------|----------------------|----------|-----------------|
| | FVTPL | FVTOCI | Amortised Cost | FVTPL | FVTOCI | Amortised Cost |
| Lease Liabilities | - | - | 16.43 | - | - | 20.38 |
| Other Non Current Financial Liabilities | - | - | 2.39 | - | - | - |
| Other Current Financial Liabilities | - | - | 404.48 | - | - | 405.84 |
| Total Financial Liabilities | 91.01 | - | 1,053.57 | 80.77 | - | 2,993.26 |

(ii) Fair Value Hierarchy

The Group measures financial instruments, such as, derivatives at fair value at each reporting date.

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, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group..

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability and assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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. The Investment in mutual funds is valued using the closing Net Assets Value ('NAV').
- 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 recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring fair value measurement, such as assets held for disposal in discontinued operations.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration, if any.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by comparing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Group's external valuers and /or with available information, also compares the change in the fair value of each asset and liability with relevant available external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group 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. The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Quantitative Disclosures and Fair Value Measurement Hierarchy for Assets as at March 31, 2025:

(Rs. in Crore)

| Particulars | Date of Valuation | Total | Fair value measurement using | | |
|---|-------------------|--------|--|-------------------------------|---------------------------------|
| | | | Prices in Active Markets (Quoted for Equity Securities and NAV for Investment in Mutual Funds) | Significant observable inputs | Significant unobservable inputs |
| | | | (Level 1) | (Level 2) | (Level 3) |
| Assets measured at fair value: | | | | | |
| Investment in Equity Shares | 31.03.2025 | 0.02 | - | - | 0.02 |
| Investment in Mutual Funds | 31.03.2025 | 828.24 | 828.24 | - | - |
| Assets for which fair values are disclosed | | | | | |
| Employee Loans | 31.03.2025 | 0.04 | - | 0.04 | - |
| Security Deposits | 31.03.2025 | 3.71 | - | 3.71 | - |

There have been no transfers between level 1, level 2 and level 3 fair value hierarchy during the period.

Quantitative Disclosures and Fair Value Measurement Hierarchy for Liabilities as at March 31, 2025:

(Rs. in Crore)

| Particulars | Date of Valuation | Total | Fair value measurement using | | |
|--|-------------------|-------|------------------------------|-------------------------------|---------------------------------|
| | | | Prices in Active Markets | Significant observable inputs | Significant unobservable inputs |
| | | | (Level 1) | (Level 2) | (Level 3) |
| Liabilities measured at fair value | | | | | |
| Derivative Financial Liabilities | 31.03.2025 | 8.68 | - | 8.68 | - |
| Liabilities for which fair values are disclosed | | | | | |
| Redeemable Preference Shares | 31.03.2025 | 82.33 | - | - | 82.33 |
| Warrants | 31.03.2025 | 0.00 | - | - | 0.00 |
| Borrowings - Floating Rate | 31.03.2025 | - | - | - | - |
| Lease Liabilities | 31.03.2025 | 16.43 | - | 16.43 | - |

There have been no transfers between level 1, level 2 and level 3 fair value hierarchy during the period.

Quantitative Disclosures and Fair Value Measurement Hierarchy for Assets as at March 31, 2024:

(Rs. in Crore)

| Particulars | Date of Valuation | Total | Fair value measurement using | | |
|---|-------------------|----------|--|-------------------------------|---------------------------------|
| | | | Prices in Active Markets (Quoted for Equity Securities and NAV for Investment in Mutual Funds) | Significant observable inputs | Significant unobservable inputs |
| | | | (Level 1) | (Level 2) | (Level 3) |
| Assets measured at fair value: | | | | | |
| Investment in Equity Shares | 31.03.2024 | 0.02 | - | - | 0.02 |
| Investment in Mutual Funds | 31.03.2024 | 1,932.19 | 1,932.19 | - | - |
| Assets for which fair values are disclosed | | | | | |
| Employee Loans | 31.03.2024 | 0.10 | - | 0.10 | - |
| Security Deposits | 31.03.2024 | 3.87 | - | 3.87 | - |

There have been no transfers between level 1, level 2 and level 3 fair value hierarchy during the period.

Quantitative Disclosures and Fair Value Measurement Hierarchy for Liabilities as at March 31, 2024:

(Rs. in Crore)

| Particulars | Date of Valuation | Total | Fair value measurement using | | |
|--|-------------------|----------|------------------------------|-------------------------------|---------------------------------|
| | | | Prices in Active Markets | Significant observable inputs | Significant unobservable inputs |
| | | | (Level 1) | (Level 2) | (Level 3) |
| Liabilities measured at fair value | | | | | |
| Derivative Financial Liabilities | 31.03.2024 | 0.43 | - | 0.43 | - |
| Liabilities for which fair values are disclosed | | | | | |
| Redeemable Preference Shares | 31.03.2024 | 80.34 | - | - | 80.34 |
| Warrants | 31.03.2024 | 0.00 | - | - | 0.00 |
| Borrowings - Floating Rate | 31.03.2024 | 1,773.21 | - | 1,773.21 | - |
| Lease Liabilities | 31.03.2024 | 20.38 | - | 20.38 | - |

There have been no transfers between level 1, level 2 and level 3 fair value hierarchy during the period.

Fair Value measurements using significant unobservable inputs (Level 3)

The following table presents the changes in level 3 items:

(Rs. in Crore)

| Particulars | Investment in Equity Shares |
|--|-----------------------------|
| As at April 01, 2023 | 0.02 |
| -Additions | - |
| -Deletions | - |
| -Fair Value Loss on Financial Instrument measured at Fair Value through Profit or Loss | - |
| As at March 31, 2024 | 0.02 |
| -Additions | - |
| -Deletions | - |
| -Fair Value Loss on Financial Instrument measured at Fair Value through Profit or Loss | - |
| As at March 31, 2025 | 0.02 |

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis are shown as below:

| Particulars | Valuation techniques | Significant unobservable inputs | Range (Net assets value) (Rs. in Crore) | Sensitivity of the inputs to fair value |
|-----------------------------|-------------------------|---------------------------------|---|--|
| As at March 31, 2025 | | | | |
| Investment in Equity Shares | Net Assets value method | Net Assets Value | 0.02 | Increase / (Decrease) in net assets value by 5% would result in Increase / (Decrease) in fair value by Rs.0.00 Crore and (Rs.0.00 Crore) respectively. |
| As at March 31, 2024 | | | | |
| Investment in Equity Shares | Net Assets value method | Net Assets Value | 0.02 | Increase / (Decrease) in net assets value by 5% would result in Increase / (Decrease) in fair value by Rs.0.00 Crore and (Rs.0.00 Crore) respectively. |

41 Income Tax Expense

Accounting Policy

Tax expense or credit comprises current income tax and deferred tax. Current income-tax expense or credit is measured at the amount expected to be paid to the taxation authorities in accordance with the tax laws applicable in the jurisdiction in which the respective entities of the Group domiciled. The tax rates and tax laws used to compute the amount of current income tax are those that are enacted or substantively enacted, at the reporting date. Deferred Income tax is determined using tax rates (and laws) that have been enacted or substantively enacted, at the reporting date and are expected to apply when the related deferred income tax assets are realised or the deferred income tax liabilities are settled.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from 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; and
- In respect of taxable temporary differences associated with investments in subsidiaries and interest in joint venture, 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 recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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 utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised 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 realised 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 recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset in accordance with the accounting framework and other applicable accounting pronouncements, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement" and grouped under Deferred Tax. The Group reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

The major components of Income Tax Expense are:

Profit or Loss Section

(Rs. in Crore)

| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
|---|------------------------------|------------------------------|
| Current Income Tax: | | |
| Current Income Tax Charge | 454.68 | 299.25 |
| Adjustments in respect of Current Income Tax of earlier years | (0.09) | 0.00 |
| Deferred Tax: | | |
| Relating to origination and reversal of temporary differences | 26.12 | 13.58 |
| Re-assessment of Deferred Tax in accordance with Taxation Laws (Amendment) Act, 2019 (refer note below) | (23.16) | - |
| Re-classification of Tax Expense from Other Comprehensive Income to Profit or Loss Section | (12.14) | - |
| Minimum Alternate Tax (MAT) Credit Utilised | 360.72 | 298.40 |
| Other Utilisations | (3.81) | - |
| Income Tax Expense reported in the Consolidated Statement of Profit and Loss | 802.32 | 611.23 |

Other Comprehensive Income (OCI) Section

Tax related to items recognised in OCI:

(Rs. in Crore)

| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
|---|------------------------------|------------------------------|
| Net Loss / (Gain) on re-measurement of Defined Benefit Plans | 0.20 | (1.09) |
| Net Loss on Effective Portion of Exchange Difference re-classified to Profit or Loss on Hedging Instruments - Current Tax | 32.82 | 40.10 |
| Net Loss on Effective Portion of Exchange Difference re-classified to Profit or Loss on Hedging Instruments - Deferred Tax | 18.53 | 22.63 |
| Net (Gain) on Effective Portion of Exchange Difference on Hedging Instruments - Current Tax : ((Rs (0.37) Crore (Previous year: Rs. 7.70 Crore)) Deferred Tax : ((Rs.0.85 Crore (Previous year Rs. 4.34 Crore)) | 0.48 | (12.04) |
| Re-assessment of deferred tax on account of Rate Change | 6.91 | - |
| Re-classification of Tax Expense from Other Comprehensive Income to Profit or Loss Section | 12.14 | - |
| Income Tax Charge to OCI | 71.08 | 49.60 |

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate :

(Rs. in Crore)

| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
|--|------------------------------|------------------------------|
| Accounting Profit Before Income Tax | 2,451.71 | 1,886.98 |
| At India's statutory Income Tax Rate of 34.944% (Previous Year : 34.944%) | 856.73 | 659.39 |
| Adjustments in respect of Current Income Tax of earlier years | (0.09) | 0.00 |
| | 856.64 | 659.39 |
| Tax effects of amount which are not deductible (taxable) in calculating taxable income- | | |
| Corporate Social Responsibility Expenditure | 11.91 | 12.32 |
| Realisation of Short Term Capital Loss to reduce the Current Tax Expense | (4.98) | (23.42) |
| Re-assessment / (Reversal) of Deferred Tax in accordance with Taxation Laws (Amendment) Act, 2019 (refer note below) | (23.16) | - |
| Re-classification of Tax Expense from Other Comprehensive Income to Profit or Loss Section | (12.14) | - |
| Derecognition of deferred tax on Fair Value Loss on Financial Instrument measured at Fair Value through Profit or Loss | 25.91 | - |
| Share of Net Profit of a Joint Venture accounted for using the Equity Method | (46.02) | (28.11) |
| Tax on Foreign subsidiary companies levied at different tax rates / no tax levied | (0.03) | 0.06 |
| Other Non-Deductible Items | (5.80) | (9.01) |
| At the effective income tax rate of 32.72% (Previous Year : 32.39%) | 802.32 | 611.23 |
| Income Tax Expense reported in the Consolidated Statement of Profit and Loss | 802.32 | 611.23 |

Deferred Tax

Deferred Tax relates to the following:

(Rs. in Crore)

| Particulars | Consolidated Balance Sheet | | Consolidated Statement of Profit and Loss | |
|---|----------------------------|-------------------------|---|------------------------------|
| | As at March 31, 2025 | As at March 31, 2024 | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
| Deferred Income Tax Liabilities | | | | |
| Property, Plant and Equipment (including other intangible assets) | 1,408.34 | 1,985.57 | (577.23) | (21.77) |
| Right-of-Use Assets | 0.76 | 1.11 | (0.35) | (0.22) |
| Interest Income from Income tax refund, Value Added Tax refund etc. accrued in the books, to be offered to tax in the year of realisation | 0.16 | 1.33 | (1.17) | 1.33 |

(Rs. in Crore)

| Particulars | Consolidated Balance Sheet | | Consolidated Statement of Profit and Loss | |
|---|----------------------------|----------------------|---|---------------------------|
| | As at March 31, 2025 | As at March 31, 2024 | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
| Effects of expenditure allowed under Income Tax Act, 1961 but to be charged in the statement of profit and loss in subsequent year. | 31.65 | 28.73 | 2.92 | 27.75 |
| Total Deferred Income Tax Liabilities | 1,440.91 | 2,016.74 | (575.83) | 7.09 |
| Deferred Income Tax Assets | | | | |
| Effects of expenditure debited to Statement of Profit and Loss in the current year/ earlier years but allowable in subsequent year | 0.84 | 0.24 | 0.60 | (0.94) |
| Allowance for Doubtful Debts and Advances | 1.79 | 9.10 | (7.31) | 0.80 |
| Leave encashment | 9.19 | 12.12 | (2.93) | 1.28 |
| Gratuity | (0.46) | 6.79 | (7.25) | 1.51 |
| Carry Forward of Losses on account of Deduction under section 35AD of Income Tax Act, 1961 | - | 0.35 | (0.35) | 0.35 |
| Deferred Tax on cash flow hedge* | 16.13 | 40.72 | (24.59) | (19.34) |
| Fair Value Loss on Financial Instrument measured at Fair Value through Profit or Loss | - | 36.27 | (36.27) | (0.74) |
| Re-measurement (Gain) / Loss on Defined Benefit Plans | 1.65 | 2.52 | (0.87) | 1.09 |
| Re-assessment of Deferred Tax in accordance with Taxation Laws (Amendment) Act, 2019 | - | 522.12 | (522.12) | - |
| MAT Credit (Utilised) / Entitlement | - | 360.73 | (360.73) | (298.40) |
| Deferred Tax Income | | | (385.99) | (321.48) |
| Total Deferred Income Tax Assets | 29.14 | 990.96 | | |
| Net Deferred Tax Liabilities / (Assets) | 1,411.77 | 1,025.78 | | |

* The amount has been presented on a gross basis and will be fully set off in the Statement of Profit and Loss upon the recycling of the hedged item in future years

Reflected in the Balance Sheet as follows:

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|----------------------|----------------------|
| Deferred Tax Liabilities | 1,411.77 | 1,025.78 |
| Net Deferred Tax Liabilities / (Assets) | 1,411.77 | 1,025.78 |

Reconciliation of Deferred Tax Liabilities / Assets (Net):

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|----------------------|----------------------|
| Opening Balance | 1,025.78 | 704.30 |
| Tax Expense during the year recognised in Consolidated Statement of Profit and Loss | (12.99) | 13.58 |
| Tax (Income) during the year recognised in OCI | 38.26 | 9.50 |
| MAT Utilised / (Credit) Entitlement | 360.72 | 298.40 |
| Closing Balance | 1,411.77 | 1,025.78 |

Note: During the year ended March 31, 2025, the Parent Company utilised the entire balance of Minimum Alternate Tax (MAT) credit available. Accordingly, the Parent Company has irrevocably opted to adopt the concessional tax regime under Section 115BAA of the Income Tax Act, 1961, introduced by the Taxation Laws (Amendment) Ordinance, 2019. This option shall be effective from the financial year 2025-26.

In view of this development, the Parent Company has re-measured its deferred tax assets and liabilities as at March 31, 2025, using the applicable tax rate of 25.168% (inclusive of surcharge and cess). As a result, an amount of Rs. 522.12 Crore, previously recognised up to March 31, 2024, has been adjusted against the respective components of deferred tax assets and liabilities as at March 31, 2025.

The re-measurement has been carried out in accordance with the principles laid down under Ind AS 12 – Income Taxes, and the impact has been recognised in the Statement of Profit and Loss.

The Parent Company has long term / short term capital losses, to the tune of Rs. 1.28 Crore (Previous Year: Rs. 15.54 Crore) that are available for offsetting for two to three years against future taxable profits (long term) of the Parent Company. Deferred tax assets have not been recognised in respect of above losses in the financial year 2024-25 as there are no other tax planning opportunities or other evidence of recoverability in the near future.

In respect of ISGN Corporation, a step down subsidiary of the Parent Company, the Group has not recognised deferred tax asset as at year end due to significant tax losses. The management of the step down subsidiary is of the view that, considering the probability of taxable profit against which such unused tax losses or unused tax credits can be utilised, there is uncertainty that sufficient taxable profit will be available against which unused tax losses or unused tax credits can be utilised.

Non-Current Tax Assets of Rs. 43.69 Crore (net of provisions Rs. 487.42 Crore) [Previous Year : Rs. 142.67 Crore (net of provisions Rs. 585.75 Crore)]

42 Financial Risk Management Objectives and Policies

The Group's principal financial liabilities, other than derivatives, comprises of borrowings, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables and cash and cash equivalents which are derived from its operations. The Group also holds investments.

The Group is exposed to market risk, credit risk and liquidity risk. The senior management oversees the management of these risks. The management of these risks is carried out by the finance department under the approved policies of the Group. The finance department identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The management reviews overall risks periodically.

(i) 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 commodity risk. Financial instruments affected by market risk include borrowings, investments, other receivables, other payables 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, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant.

The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post retirement obligations, provisions and other non-financial assets and liabilities of foreign operations.

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 as at March 31, 2025 and March 31, 2024.

a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As and when deemed appropriate, the Group enters into Interest rate swap contracts for converting floating rate into fixed rate.

Interest Rate Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

(Rs. in Crore)

| Particulars | Increase + / Decrease - in basis points | Increase / (Decrease) in Profit before Tax |
|-----------------------|---|--|
| March 31, 2025 | | |
| USD Borrowings | +50 | - |
| USD Borrowings | -50 | - |
| March 31, 2024 | | |
| USD Borrowings | +50 | (11.75) |
| USD Borrowings | -50 | 11.75 |

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

b) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The foreign exchange risk of the Parent Company arises mainly out of import of fertilisers, capital goods and foreign currency borrowings.

The major part of the long-term borrowings of the Parent Company comprised of External Commercial Borrowings / Foreign Currency Term Loans availed in US Dollars for financing of Gadepan-III plant of the Parent Company.

The revenue of the Parent Company from Gadepan-III Plant was linked to US Dollars in terms of New Investment policy 2012. Accordingly, the Parent Company had natural cover against fluctuation of foreign exchange rates and did not enter into transactions to hedge foreign exchange risk in respect of aforesaid foreign currency borrowings. The Parent Company made prepayment of these loans during the current financial year and continued to follow the hedge accounting as the forecasted sales are expected to occur as per hedge documentation. The Parent Company is reasonably certain to assess that the amount of loss accumulated in the cash flow hedge reserve is recoverable and the notional amount of the hedged item will exceed the hedging instrument.

In order to mitigate the foreign exchange risk in respect of imported fertilisers, the Company continuously monitors its foreign exchange exposure and hedges its foreign exchange risk in this regard, to the extent considered necessary, through forward contracts and option structures.

The Group's exposure to foreign currency risk at the end of the reporting period expressed in Rupees are as follows:

As at March 31, 2025

(Rs. in Crore)

| Currency | Assets | | Liabilities | | | | Net Exposure to Foreign Currency |
|----------|-------------------------------|-------------------|---|------------|----------------------------------|--|----------------------------------|
| | Receivable from Joint Venture | Other Receivables | Trade Payable and Other Financial Liabilities | Borrowings | Derivative Financial Liabilities | Interest accrued but not due on Borrowings | |
| USD | 0.22 | 19.27 | 76.22 | - | 7.69 | - | (64.42) |
| EURO | - | - | 2.74 | - | 0.97 | - | (3.71) |
| JPY | - | - | 0.51 | - | 0.03 | - | (0.54) |

As at March 31, 2024

(Rs. in Crore)

| Currency | Assets | | Liabilities | | | | Net Exposure to Foreign Currency |
|----------|-------------------------------|-------------------|---|------------|----------------------------------|--|----------------------------------|
| | Receivable from Joint Venture | Other Receivables | Trade Payable and Other Financial Liabilities | Borrowings | Derivative Financial Liabilities | Interest accrued but not due on Borrowings | |
| USD | 0.08 | 10.52 | 136.13 | 1,781.90 | 0.06 | 1.39 | (1,908.88) |
| EURO | - | - | 1.70 | - | 0.35 | - | (2.05) |
| JPY | - | - | 6.21 | - | 0.02 | - | (6.23) |

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates of various currencies with Rupees, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives.

(Rs. in Crore)

| Particulars | Increase/ (Decrease) in Profit Before Tax For the Year Ended March 31, 2025 | Increase/ (Decrease) in Profit Before Tax For the Year Ended March 31, 2024 | Increase/ (Decrease) in Other Comprehensive Income For the Year Ended March 31, 2025 | Increase/ (Decrease) in Other Comprehensive Income For the Year Ended March 31, 2024 |
|-------------------------|---|---|--|--|
| USD Sensitivity | | | | |
| USD increase by 5% | (3.22) | (6.35) | - | (89.09) |
| USD decrease by 5% | 3.22 | 6.35 | - | 89.09 |
| EURO Sensitivity | | | | |
| EURO increase by 5% | (0.19) | (0.10) | - | - |
| EURO decrease by 5% | 0.19 | 0.10 | - | - |
| JPY Sensitivity | | | | |
| JPY increase by 5% | (0.03) | (0.31) | - | - |
| JPY decrease by 5% | 0.03 | 0.31 | - | - |

Disclosure of effects of hedge accounting on Financial Position and Financial Performance:

Accounting Policy - Cash Flow Hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income and accumulated as 'Cash Flow Hedging Reserve'. The gains / losses relating to the ineffective portion are recognised in the Statement of Profit and Loss.

Amounts previously recognised and accumulated in Other Comprehensive Income are re-classified to profit or loss when the hedged item affects the Statement of Profit and Loss. However, when the hedged item results in the recognition of a non-financial asset, such gains / losses are transferred from equity (but not as re-classification adjustment) and included in the initial measurement cost of the non-financial asset.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gains / losses recognised in Other Comprehensive Income and accumulated in equity at that time remains in equity and is re-classified when the underlying transaction is ultimately recognised. When an underlying transaction is no longer expected to occur, the gains / losses accumulated in equity are recognised immediately in the Statement of Profit and Loss.

Accordingly, on prepayment of the borrowings (hedge instrument), the Company retained the earlier gains / losses recognised in Other Comprehensive Income and accumulated in equity. It will be reclassified to the statement of profit and loss when the hedged future forecasted sales are recognised.

Impact of Hedging Activities

(a) Financial Position

As at March 31, 2025

(Rs. in Crore)

| Type of Hedge & Risks | Nominal Value | | Carrying amount of Hedging Instrument | | Maturity Date | Hedge Ratio* | Weighted Average Strike Price/Rate | Changes in Fair value of Hedging Instrument | Change in the value of Hedged Item used as the basis for recognising Hedge Effectiveness |
|------------------------|---------------|-------------|---------------------------------------|-------------|---------------|--------------|------------------------------------|---|--|
| | Assets | Liabilities | Assets | Liabilities | | | | | |
| Cash Flow Hedge | | | | | | | | | |
| Foreign Exchange Risk: | | | | | | | | | |
| Borrowings | - | - | - | - | 30.09.2027 | 1:1 | USD1:Rs. 66.27 | 895.13 | (895.13) |

The Parent Company pre paid the borrowings (hedge instrument) on June 28, 2024 and continued to follow the hedge accounting . The Parent Company is reasonably certain to assess that the amount of loss accumulated in the cash flow hedge reserve is recoverable and the notional amount of the hedged item will exceed the hedging instrument. Further, the forecasted sales are expected to occur as per hedge documentation. Any Ineffectiveness in future will be charged off to profit and loss.

As at March 31, 2024

(Rs. in Crore)

| Type of Hedge & Risks | Nominal Value | | Carrying amount of Hedging Instrument | | Maturity Date | Hedge Ratio* | Weighted Average Strike Price/Rate | Changes in Fair value of Hedging Instrument | Change in the value of Hedged Item used as the basis for recognising Hedge Effectiveness |
|------------------------|---------------|-------------|---------------------------------------|-------------|---------------|--------------|------------------------------------|---|--|
| | Assets | Liabilities | Assets | Liabilities | | | | | |
| Cash Flow Hedge | | | | | | | | | |
| Foreign Exchange Risk: | | | | | | | | | |
| Borrowings | - | 1,773.21 | - | 1,773.21 | 30.09.2027 | 1:1 | USD1:Rs. 66.27 | 893.48 | (893.48) |

* The entire amount of Borrowings taken for Gadepan-III Plant has been designated as hedging instrument against highly probable forecasted revenue being hedged item from Gadepan-III Plant, therefore the hedge ratio is 1:1.

(b) Financial Performance
For the Year Ended March 31, 2025
(Rs. in Crore)

| Type of Hedge | Change in the value of the Hedging Instrument recognised in Other Comprehensive Income | Hedge ineffectiveness recognised in Profit or Loss | Amount reclassified from Cash Flow Hedging Reserve to Profit or Loss | Line item affected in Statement of Profit and Loss because of the re-classification |
|------------------------|--|--|--|---|
| Cash Flow Hedge | | | | |
| Foreign Exchange Risk | (1.65) | - | 146.98 | Revenue from Operations |

For the Year Ended March 31, 2024
(Rs. in Crore)

| Type of Hedge | Change in the value of the Hedging Instrument recognised in Other Comprehensive Income | Hedge ineffectiveness recognised in Profit or Loss | Amount reclassified from Cash Flow Hedging Reserve to Profit or Loss | Line item affected in Statement of Profit and Loss because of the re-classification |
|------------------------|--|--|--|---|
| Cash Flow Hedge | | | | |
| Foreign Exchange Risk | (34.48) | - | 179.53 | Revenue from Operations |

Movements in Cash Flow Hedging Reserve
(Rs. in Crore)

| Risk Category | Foreign Currency Risk | |
|---|------------------------|------------------------|
| | Financial Year 2024-25 | Financial Year 2023-24 |
| Derivative Instruments | | |
| Cash Flow Hedging Reserve | | |
| Opening at the beginning of the Year | (224.04) | (318.40) |
| Add: Changes in Borrowings | (1.65) | (34.48) |
| Add: Amounts reclassified to profit or loss | 146.98 | 179.53 |
| Less: Current Tax relating to above | 44.60 | 40.10 |
| Less: Deferred Tax relating to above | 25.64 | 10.59 |
| Closing at the end of the Year | (148.95) | (224.04) |

c) Commodity Price Risk

Commodity price risk of the Parent Company arises from the ongoing purchase of natural gas and imported fertilisers required for its operating activities.

- (i) Natural gas is the major raw material for manufacture of Urea. The prices of Natural Gas are mostly linked to international crude oil prices which varies with the fluctuation in the prices of crude oil, demand supply pattern, etc. The part of the natural gas quantity required by the Parent Company has also been purchased at fixed price. The cost of natural gas is considered appropriately in line with the subsidy policies of Government of India for manufacture of Urea. As per the guidelines for pooling of gas in fertilizer (Urea) sector issued by the Government of India, the natural gas is available to the Urea manufacturer at uniform price. The Parent Company did not enter into any transaction for hedging the fluctuations in the prices of natural gas.
- (ii) The Parent Company deals in imported fertilisers (i.e. DAP, MOP and NPK), which are imported by the Parent Company and sold in the domestic market. The prices of imported fertilisers may fluctuate due to demand-supply scenario, outage of plants, fluctuation in prices of raw materials, etc. The Parent Company takes following steps to mitigate the risk pertaining to fluctuation in prices:
 - a) Dynamic sourcing strategy and review of demand and supply on regular basis;
 - b) No long term commitments; and
 - c) Constant review of market condition including costing of competitors.

The Parent Company did not enter into any transactions to hedge the risk pertaining to fluctuation in prices.

(ii) 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 Group is exposed to credit risk from its operating activities (primarily trade receivables) including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

a) Trade Receivables

The Group receivables can be classified into two categories, one is from the customers / dealers in the market and second one is from the Government of India in the form of subsidy. As far as Government portion of receivables are concerned, credit risk is low. In respect of market receivables from the customers/ dealers the Group extends credit to customers in normal course of business. The Group considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Group monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several states and operate in largely independent markets. The Group has also taken security deposits from its customers, which mitigate the credit risk to some extent.

The Group has established an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The Group applies a simplified approach permitted by Ind AS 109 'Financial Instruments' for the purpose of computation of expected credit loss for trade receivables and 12-month expected credit loss for other receivables. For Trade Receivables, the Company uses a provision matrix to compute the amount of expected credit losses. The provision matrix takes into account external and internal credit risk factors and historical data of credit losses from various customers adjusted for forward looking estimates. Accordingly, the provision for doubtful debts or provision for impairment of trade receivables is made on case to case basis, based on the information available, past history and other relevant available information. Besides this the Group also makes specific provision for past due receivables beyond 90 days ranging from 50% to 100%. Assessment of credit risk is being made on case to case basis based on available information and if credit risk has increased from initial recognition. The Group evaluates the concentration of risk with respect to trade receivables as low.

Expected credit losses for Trade Receivables under Simplified Approach.

The Group provides for expected credit loss based on 12 months and lifetime expected credit loss basis for following assets:

As at March 31, 2025

(Rs. in Crore)

| Particulars | Estimated Gross Carrying amount at default | Expected Credit Loss | Carrying amount net of impairment provision |
|---------------------------|--|----------------------|---|
| Investments | 828.26 | - | 828.26 |
| Trade Receivables | 371.97 | 4.05 | 367.92 |
| Loans | 0.06 | - | 0.06 |
| Cash and Cash Equivalents | 107.75 | - | 107.75 |
| Other Bank Balances | 128.57 | - | 128.57 |
| Other Financial Assets | 164.97 | - | 164.97 |

As at March 31, 2024

(Rs. in Crore)

| Particulars | Estimated Gross Carrying amount at default | Expected Credit Loss | Carrying amount net of impairment provision |
|---------------------------|--|----------------------|---|
| Investments | 1,932.21 | - | 1,932.21 |
| Trade Receivables | 210.57 | 19.01 | 191.56 |
| Loans | 0.13 | - | 0.13 |
| Cash and Cash Equivalents | 109.86 | - | 109.86 |
| Other Bank Balances | 23.03 | - | 23.03 |
| Other Financial Assets | 117.25 | - | 117.25 |

Expected credit losses for Trade Receivables under Simplified Approach
As at March 31, 2025

(Rs. in Crore)

| S. No. | Particulars | Not Due | Less than 6 Months | 6 Months - 1 Year | 1-2 Years | 2-3 Years | More than 3 years | Total |
|--------|--|----------|--------------------|-------------------|-----------|-----------|-------------------|---------------|
| (i) | Gross carrying amount - Trade Receivables | (157.81) | 512.33 | 10.68 | 0.08 | 3.76 | 2.93 | 371.97 |
| (ii) | Expected loss rate | 0.00% | 0.00% | -0.13% | -0.28% | 0.00% | 0.00% | 0.00% |
| (iii) | Expected credit losses - Loss Allowances - Trade Receivables | 0.61 | 0.54 | 0.02 | 0.05 | 0.03 | 2.80 | 4.05 |
| (iv) | Carrying amount of Trade Receivables (net of impairment) | (158.42) | 511.79 | 10.66 | 0.03 | 3.73 | 0.13 | 367.92 |

As at March 31, 2024

(Rs. in Crore)

| S. No. | Particulars | Not Due | Less than 6 Months | 6 Months - 1 Year | 1-2 Years | 2-3 Years | More than 3 years | Total |
|--------|--|---------|--------------------|-------------------|-----------|-----------|-------------------|---------------|
| (i) | Gross carrying amount - Trade Receivables | 87.54 | 99.42 | 0.06 | 4.20 | 0.34 | 19.01 | 210.57 |
| (ii) | Expected loss rate | 0.00% | 0.01% | 0.18% | 0.01% | 0.00% | 0.00% | 0.00% |
| (iii) | Expected credit losses - Loss Allowances - Trade Receivables | 0.61 | 0.08 | 0.02 | 0.04 | 0.34 | 17.92 | 19.01 |
| (iv) | Carrying amount of Trade Receivables (net of impairment) | 86.93 | 99.34 | 0.04 | 4.16 | - | 1.09 | 191.56 |

b) Financial Instruments and Cash Deposits

In respect of Parent Company, Credit risk from balances with banks and financial institutions is managed by the Parent Company's finance department. Credit risk arising from investment in mutual funds, bonds, derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised institutions with good credit ratings assigned by the credit rating agencies.

In respect of a subsidiary company, credit risk on cash and cash equivalents is limited as the subsidiary company keeps deposits in banks with good credit ratings assigned by international and domestic credit rating agencies.

Refer below table for Reconciliation of loss allowances.

(Rs. in Crore)

| Particulars | Other Non Current Assets | Trade Receivables | Other Receivables |
|--|--------------------------|-------------------|-------------------|
| Allowance as at April 01, 2023 | 2.23 | 16.58 | 5.77 |
| Allowance made during the financial year 2023-24 | 0.03 | 2.60 | - |
| Allowance written off / (written back) during the financial year 2023-24 | - | (0.17) | (0.14) |
| Foreign Currency Translation Difference | 0.03 | - | - |
| Allowance as at March 31, 2024 | 2.29 | 19.01 | 5.63 |
| Allowance made during the financial year 2024-25 | 0.06 | 0.59 | - |
| Allowance written off / (written back) during the financial year 2024-25 | - | 15.55 | (3.98) |
| Foreign Currency Translation Difference | 0.01 | - | - |
| Allowance as at March 31, 2025 | 2.36 | 4.05 | 1.65 |

(iii) Liquidity Risk

The Group's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements at all times. The Group relies on a mix of borrowings and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium / long term funding requirements. The Group monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

(Rs. in Crore)

| Particulars | Less than 1 Year | 1-2 Years | 2-3 Years | 3-5 Years | > 5 Years | Total | Carrying Value |
|------------------------------|------------------|---------------|---------------|---------------|--------------|-----------------|-----------------|
| As at March 31, 2025 | | | | | | | |
| Borrowings | - | - | - | - | - | - | - |
| Redeemable Preference Shares | - | - | - | - | 82.33 | 82.33 | 82.33 |
| Lease Liabilities | 6.90 | 7.43 | 3.16 | 2.03 | 1.83 | 21.35 | 16.43 |
| Other Financial Liabilities | 343.84 | - | - | - | - | 343.84 | 343.84 |
| Trade and Other Payables | 701.98 | - | - | - | - | 701.98 | 701.98 |
| Total | 1,052.72 | 7.43 | 3.16 | 2.03 | 84.16 | 1,149.50 | 1,144.58 |
| As at March 31, 2024 | | | | | | | |
| Borrowings | 709.33 | 675.15 | 264.95 | 132.47 | - | 1,781.90 | 1,781.90 |
| Redeemable Preference Shares | - | - | - | - | 80.34 | 80.34 | 80.34 |
| Lease Liabilities | 5.74 | 5.78 | 5.54 | 4.19 | 3.56 | 24.81 | 20.38 |
| Other Financial Liabilities | 337.75 | - | - | - | - | 337.75 | 337.75 |
| Trade and Other Payables | 862.35 | - | - | - | - | 862.35 | 862.35 |
| Total | 1,915.17 | 680.93 | 270.49 | 136.66 | 83.90 | 3,087.15 | 3,082.72 |

43 Capital Management

The Group's objective while managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefit for other stakeholders. The Group will maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return the capital to shareholders, issue new shares or sell assets to reduce debt.

The Capital Structure of the Group is as follows:

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|----------------------|----------------------|
| Equity Share Capital | 400.65 | 400.65 |
| Other Equity | 8,327.37 | 6,872.90 |
| Debts (Long Term and Short Term both (including Current Maturities))* | 82.33 | 1,853.55 |
| Total | 8,810.35 | 9,127.10 |

*The above debt includes Nil (Previous Year: Rs. 1,773.21 Crore) towards Gadepan-III Plant, which had commenced commercial production from January 01, 2019. The prepayment of the said debt is made during the year.

Earlier before the prepayment of the aforesaid loan under the terms of the borrowing facilities pertaining to Gadepan-III Plant, the Company was required to comply with certain financial covenants as detailed below:

| S. No. | Debt Covenants | Required - Financial Year 2024-25 | Achieved - Financial Year 2024-25 | Required - Financial Year 2023-24 | Achieved - Financial Year 2023-24 |
|--------|---|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| 1 | Total outstanding Liabilities to Tangible Net worth | Not Applicable | Not Applicable | Ratio should be $\leq 2.50:1$ | 0.59:1 |
| 2 | Total Debts to EBITDA | | | Ratio should be $\leq 3.50:1$ | 0.73:1 |
| 3 | Fixed Assets Cover Ratio | | | Ratio should be $\geq 1.25:1$ | 3.71:1 |
| 4 | Debt Service Coverage Ratio | | | Ratio should be $\geq 1.20:1$ | 2.02:1 |

44 Distribution Made and Proposed

Accounting Policy

The Parent Company recognises a liability to make dividend distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Parent Company. As per the applicable laws in India, a distribution is authorised when it is approved by the shareholders, except in case of Interim Dividend on approval of board. A corresponding amount is recognised directly in equity.

(Rs. in Crore)

| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
|---|------------------------------|------------------------------|
| Cash Dividend on Equity Shares Declared and Paid: | | |
| Dividend (during the year ended on March 31, 2025: at the rate of Rs. 3.00 per equity share and March 31, 2024: at the rate of Rs. 3.00 per equity share) | 120.20 | 124.87 |
| Interim Dividend (during the year ended on March 31, 2025 at the rate of Rs. 5.00 per equity share and March 31, 2024 at the rate of Rs. 4.50 per equity share) | 200.32 | 187.29 |
| Total | 320.52 | 312.16 |
| Proposed Dividend on Equity Shares: | | |
| Final Dividend (for the year ended on March 31, 2025: at the rate of Rs. 5.00 per equity share, for the year ended on March 31, 2024: at the rate of Rs. 3.00 per equity share) | 200.32 | 120.20 |
| Total | 200.32 | 120.20 |

45 Assets classified as Held for Sale

Accounting Policy

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

Discontinued operations is a component of an entity that either has been disposed off, or is classified as held for sale, and: represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose off a separate major line of business or geographical area of operations.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

(Rs. in Crore)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Property, Plant and Equipment classified as Held for Sale : | | |
| - Plant and Equipment* | 0.50 | 3.03 |
| - Vehicles | 0.02 | 0.00 |
| Total | 0.52 | 3.03 |

* net of loss Rs. 1.98 Crore (Previous Year : Rs. 2.45 Crore) for write down of Plant and Equipment.

46 Additional information pursuant to Schedule III of Companies Act, 2013, “General instructions for the preparation of consolidated financial statements” for financial year 2024-25 and 2023-24

| Financial Year 2024-25 | | | | | | | | | |
|------------------------|--|--|-----------------------|-------------------------------------|-----------------------|-------------------------------------|-----------------------|---|-----------------------|
| S. No. | Name of the Entity | Net Assets, i.e., Total Assets minus Total Liabilities | | Share in Profit / (Loss) | | Share in Other Comprehensive Income | | Share in Total Comprehensive Income | |
| | | As % of Consolidated Net Assets | Amount (Rs. in Crore) | As % of Consolidated Profit or Loss | Amount (Rs. in Crore) | As % of Consolidated OCI | Amount (Rs. in Crore) | As % of Consolidated Total Comprehensive Income | Amount (Rs. in Crore) |
| | Parent Company | | | | | | | | |
| | Chambal Fertilisers and Chemicals Limited | 94.48 | 8,231.47 | 92.03 | 1,517.87 | 101.42 | 126.84 | 92.69 | 1,644.71 |
| | Indian Subsidiaries | | | | | | | | |
| 1 | Chambal Infrastructure Ventures Limited | 0.06 | 4.92 | 0.01 | 0.24 | - | - | 0.01 | 0.24 |
| 2 | ISG Novasoft Technologies Limited | 0.06 | 5.19 | (0.01) | (0.39) | - | - | (0.01) | (0.39) |
| | Foreign Subsidiaries | | | | | | | | |
| 1 | CFCL Ventures Limited | (0.66) | (57.78) | 0.01 | 0.19 | (1.08) | (1.36) | (0.07) | (1.17) |
| 2 | ISGN Corporation | 0.00 | 0.27 | (0.01) | (0.10) | - | - | (0.01) | (0.10) |
| | Non-Controlling Interests in Subsidiary | | | | | | | | |
| | CFCL Ventures Limited | (0.18) | (16.03) | (0.01) | (0.12) | (0.34) | (0.42) | (0.03) | (0.54) |
| | Interests in Joint Venture (as per Equity Method) | | | | | | | | |
| | Indo Maroc Phosphore S.A - IMACID | 6.24 | 543.95 | 7.98 | 131.70 | - | - | 7.42 | 131.70 |
| | Total | 100.00 | 8,711.99 | 100.00 | 1,649.39 | 100.00 | 125.06 | 100.00 | 1,774.45 |

| Financial Year 2023-24 | | | | | | | | | |
|------------------------|--|--|-----------------------|-------------------------------------|-----------------------|-------------------------------------|-----------------------|---|-----------------------|
| S. No. | Name of the Entity | Net Assets, i.e., Total Assets minus Total Liabilities | | Share in Profit / (Loss) | | Share in Other Comprehensive Income | | Share in Total Comprehensive Income | |
| | | As % of Consolidated Net Assets | Amount (Rs. in Crore) | As % of Consolidated Profit or Loss | Amount (Rs. in Crore) | As % of Consolidated OCI | Amount (Rs. in Crore) | As % of Consolidated Total Comprehensive Income | Amount (Rs. in Crore) |
| | Parent Company | | | | | | | | |
| | Chambal Fertilisers and Chemicals Limited | 93.97 | 6,820.43 | 93.69 | 1,195.26 | 101.00 | 107.44 | 94.25 | 1,302.70 |
| | Indian Subsidiaries | | | | | | | | |
| 1 | Chambal Infrastructure Ventures Limited | 0.06 | 4.67 | 0.02 | 0.23 | - | - | 0.02 | 0.23 |
| 2 | ISG Novasoft Technologies Limited | 0.08 | 5.58 | (0.02) | (0.28) | - | - | (0.02) | (0.28) |
| | Foreign Subsidiaries | | | | | | | | |
| 1 | CFCL Ventures Limited | (0.78) | (56.63) | - | - | (0.76) | (0.81) | (0.06) | (0.81) |
| 2 | ISGN Corporation | 0.01 | 0.37 | 0.00 | 0.15 | - | - | 0.01 | 0.15 |
| | Non-Controlling Interests in Subsidiary | | | | | | | | |
| | CFCL Ventures Limited | (0.22) | (15.49) | (0.00) | (0.05) | (0.24) | (0.25) | (0.02) | (0.30) |
| | Interests in Joint Venture (as per Equity Method) | | | | | | | | |
| | Indo Maroc Phosphore S.A - IMACID | 6.88 | 499.13 | 6.31 | 80.44 | - | - | 5.82 | 80.44 |
| | Total | 100.00 | 7,258.06 | 100.00 | 1,275.75 | 100.00 | 106.38 | 100.00 | 1,382.13 |

Note: Above figures for net assets and share in profit or (loss) of entities are after elimination of all intra group transactions.

47 Disclosure required under Section 186 (4) of the Companies Act, 2013

The Parent Company has not given any loans, made investments or given guarantees or provided security during the financial year ended March 31, 2025 and March 31, 2024 under section 186(4) of the Companies Act, 2013.

48 Changes in Financial Liabilities arising from Financing Activities for Financial Year 2024-25

(Rs. in Crore)

| Particulars | As at March 31, 2024 | Receipt | Repayment | Foreign Exchange Variation (Net) | Foreign Currency Translation | Transaction Cost and Others * | As at March 31, 2025 |
|------------------------------|----------------------------|----------|-------------------|--|------------------------------------|-------------------------------------|----------------------------|
| Long Term Borrowings | 1,773.21 | - | (1,783.55) | 1.65 | - | 8.69 | - |
| Supplier's Credit | - | - | - | - | - | - | - |
| Redeemable Preference Shares | 80.34 | - | - | - | 1.99 | - | 82.33 |
| Lease Liabilities * | 20.38 | - | (5.65) | - | - | 1.70 | 16.43 |
| Total | 1,873.93 | - | (1,789.20) | 1.65 | 1.99 | 10.39 | 98.76 |

Changes in Financial Liabilities arising from Financing Activities for Financial Year 2023-24

(Rs. in Crore)

| Particulars | As at March 31, 2023 | Receipt | Repayment | Foreign Exchange Variation (Net) | Foreign Currency Translation | Transaction Cost and Others * | As at March 31, 2024 |
|------------------------------|----------------------------|----------|-------------------|--|------------------------------------|-------------------------------------|----------------------------|
| Long Term Borrowings | 2,608.48 | - | (875.31) | 34.48 | - | 5.56 | 1,773.21 |
| Supplier's Credit | 647.64 | - | (649.82) | 2.18 | - | - | - |
| Redeemable Preference Shares | 79.15 | - | - | - | 1.19 | - | 80.34 |
| Lease Liabilities * | 23.13 | - | (5.68) | - | - | 2.93 | 20.38 |
| Total | 3,358.40 | - | (1,530.81) | 36.66 | 1.19 | 8.49 | 1,873.93 |

* Represents movement in Lease Liabilities on account of addition, deletion and interest expenses.

49 During the financial year ended March 31, 2020, ISGN Corporation and ISG Novasoft Technologies Limited, subsidiaries of CFCL Ventures Limited had sold / transferred certain assets / liabilities to the respective buyers. As part of the aforesaid transactions, the Parent Company executed keepwell agreements with the respective buyers and the concerned subsidiaries. As per the terms of the aforesaid keepwell agreements, the Parent Company has to ensure that the concerned subsidiary has sufficient funds to enable it to make payments against indemnity obligations of the subsidiary under the agreements executed for sale / transfer of assets / liabilities. The aggregate indemnity obligations of the subsidiaries under the aforesaid agreements shall not exceed Rs. 134.19 Crore (Previous Year: Rs. 131.80 Crore).

50 Additional regulatory information required by Schedule III of Companies Act, 2013
(i) Details of Benami Property held

No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowings secured against current assets

The Parent Company avails borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Parent Company with banks and financial institutions are in agreement with the books of accounts. There are no borrowings in subsidiaries which have been taken against the security of current assets. In case of parent Company, below is the disclosure of quarterly statements filed for the Financial Year 2024-25 and Previous Year 2023-24.

(Rs. in Crore)

| Quarter | Name of Bank | Particulars of Security Provided | Amount of Net Current Assets as per books of account | Amount of Net Current Assets as reported in the quarterly return | Amount of Difference | Reasons of Material Discrepancies |
|-------------------------------|---|--|--|--|----------------------|-----------------------------------|
| April 2024 to June 2024 | Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Axis Bank Limited The Federal Bank Limited ICICI Bank Limited | Loan is secured by hypothecation of all the Parent Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Parent Company. | 1,072.17 | 1,072.17 | - | - |
| July 2024 to September 2024 | Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Axis Bank Limited The Federal Bank Limited ICICI Bank Limited | Loan is secured by hypothecation of all the Parent Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Parent Company. | (554.96) | (554.96) | - | - |
| October 2024 to December 2024 | Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Axis Bank Limited The Federal Bank Limited ICICI Bank Limited | Loan is secured by hypothecation of all the Parent Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Parent Company. | (397.58) | (397.58) | - | - |
| January 2025 to March 2025 | Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Axis Bank Limited The Federal Bank Limited ICICI Bank Limited | Loan is secured by hypothecation of all the Parent Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Parent Company. | 1,552.61 | 1,552.61 | - | - |

(Rs. in Crore)

| Quarter | Name of Bank | Particulars of Security Provided | Amount of Net Current Assets as per books of account | Amount of Net Current Assets as reported in the quarterly return | Amount of Difference | Reasons of Material Discrepancies |
|-------------------------------|---|--|--|--|----------------------|-----------------------------------|
| April 2023 to June 2023 | Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Axis Bank Limited The Federal Bank Limited ICICI Bank Limited | Loan is secured by hypothecation of all the Parent Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Parent Company. | 3,976.21 | 3,976.21 | - | - |
| July 2023 to September 2023 | Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Axis Bank Limited The Federal Bank Limited ICICI Bank Limited | Loan is secured by hypothecation of all the Parent Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Parent Company. | (598.40) | (598.40) | - | - |
| October 2023 to December 2023 | Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Axis Bank Limited The Federal Bank Limited ICICI Bank Limited | Loan is secured by hypothecation of all the Parent Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Parent Company. | 336.70 | 336.70 | - | - |
| January 2024 to March 2024 | Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Axis Bank Limited The Federal Bank Limited ICICI Bank Limited | Loan is secured by hypothecation of all the Parent Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Parent Company. | 579.62 | 579.62 | - | - |

(iii) Wilful defaulter

The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies

The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Utilisation of borrowed funds and share premium

The Companies in the Group have not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of 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 group (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Companies in the Group have 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 group 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.

(vii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) Loans or advances to specified persons

The Companies in the Group have not granted loans or advances to promoters, directors, key management personnel and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are: a) repayable on demand or (b) without specifying any terms or period of repayment.

(ix) Valuation of Property, Plant and Equipment, intangible assets and investment property

The Companies in the Group have not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(x) Compliance with approved scheme(s) of arrangements

The Companies in the Group have not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(xi) Details of crypto currency or virtual currency

The Companies in the Group have not traded or invested in crypto currency or virtual currency during the current or previous year.

51 Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, 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.

a) Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

b) Income Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Group has Rs. 1.28 Crore (Previous Year: Rs. 15.54 Crore) of carried forward tax losses on account of long term / short term capital losses. These losses mainly relate to the loss on voluntary liquidation of a subsidiary of the Parent Company and merger of a subsidiary of the Parent Company with its subsidiary and will expire in two to three years and may be used to offset taxable long term/short term capital gains in the future. On this basis, the Group has determined that it cannot recognise deferred tax assets on these tax losses (long term / short term capital losses) carried forward. If the Group would have been able to recognise all unrecognised deferred tax assets, profit and equity would have increased by Rs 0.30 Crore (Previous Year: Rs.5.28 Crore). Further details on taxes are disclosed in note 41 to the financial statements.

During the year, the Parent Company utilised the entire balance of MAT Credit available. In view of this, the Parent Company has decided to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from Financial Year 2025-2026.

c) Defined Benefit Plans

The cost of the defined benefit gratuity plan, post-employment medical benefits and other defined benefit plans and the present value of the obligation of defined benefit plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for defined benefit plans, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on the expected future inflation rates. Further details about the defined benefit plans are given in note 31 to the financial statements.

d) Revenue

The Parent Company's revenue includes subsidy claims, part of which are pending notification / final implementation by 'Fertiliser Industry Coordination Committee' (FICC), Government of India. As per management estimates, there is reasonable certainty based on Government of India policy and past experience that claims will be notified in due course. On issuance of notification by FICC, Government of India, the adjustments, if any, to revenue are not expected to be significant.

e) 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 discounted cash flow method. The inputs to these models are taken from observable markets wherever possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements 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. Further disclosures in this regard are given in note 40.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N / N500016

Abhishek Rara
Partner
Membership No. : 077779

Place : New Delhi
Date : May 08, 2025

For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited

Rita Menon
Director
DIN: 00064714

Anand Agarwal
Chief Financial Officer

Place : New Delhi
Date : May 08, 2025

Abhay Baijal
Managing Director
DIN: 01588087

Tridib Barat
Company Secretary

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 / Joint Venture

Part A : Subsidiaries

| Sl. No. | Name of the Subsidiary | The date since when subsidiary was acquired | Reporting Currency | Exchange Rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries | Share Capital | Reserves and Surplus | Total Assets | Total Liabilities | Investments | Turnover | Profit / (Loss) Before Taxation | Provision for Taxation | Profit/ (Loss) After Taxation | Proposed Dividend | Extent of shareholding (in percentage) |
|---------|--|---|--------------------|--|---------------|----------------------|--------------|-------------------|-------------|----------|---------------------------------|------------------------|-------------------------------|-------------------|--|
| 1 | Chambal Infrastructure Ventures Limited | 02.01.2007 | INR | - | 9.40 | (4.48) | 4.95 | 0.03 | - | 0.33 | 0.32 | 0.08 | 0.24 | - | 100.00 |
| 2 | CFCL Ventures Limited | 19.03.2007 | USD | 1 USD = INR 85.48 | 0.00 * | (903.83) | 8.53 | 912.36 | - | 0.33 | 0.07 | - | 0.07 | - | 72.27 |
| 3 | ISGN Corporation ⁽¹⁾ | 04.09.2007 | USD | 1 USD = INR 85.48 | 0.73 | (63.12) | 0.41 | 62.79 | - | 0.04 | (0.11) | - | (0.11) | - | 72.27 |
| 4 | ISG Novasoft Technologies Limited ⁽¹⁾ | 25.11.2003 | INR | - | 6.68 | (1.49) | 6.48 | 1.29 | - | 0.07 | (0.39) | - | (0.39) | - | 72.27 |

* The amount is less than Rs. 50,000.

Notes:

- (1) Wholly owned subsidiaries of CFCL Ventures Limited.
- (2) Investments exclude investments in subsidiaries. Profit / (Loss) after taxation does not include Other Comprehensive Income.

Part B: Joint Venture

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Joint Venture

| Name of Joint Venture | Latest Audited Balance Sheet Date | Date on which the Joint Venture was acquired | Shares of Joint Venture held by the Company on the year end | | | Description of how there is significant influence | Reason why the Joint Venture is not consolidated | Networth attributable to shareholding as per latest audited Balance Sheet (Rs. in Crore) | Profit for the Year (Rs. in Crore) | |
|-----------------------------------|-----------------------------------|--|---|--|-----------------------------------|---|--|--|------------------------------------|---------------------------------|
| | | | No. of shares | Amount of Investment in Joint Venture (Rs. in Crore) | Extent of Holding (in percentage) | | | | Considered in Consolidation | Not Considered in Consolidation |
| Indo Maroc Phosphore S.A.- IMACID | 31.03.2025 | 20.11.1997 | 206666 | 85.13 * | 33.33 | Holding more than 20% shares and joint control | Not Applicable | 543.95 | 131.70 | 263.40 |

* The fair value of investment in the books of accounts of the Company as on March 31, 2025 is Rs. 285.87 Crore.

For and on behalf of the Board of Directors of

Chambal Fertilisers and Chemicals Limited

Rita Menon
Director
DIN: 00064714

Abhay Bajjal
Managing Director
DIN: 01588087

Anand Agarwal
Chief Financial Officer

Tridib Barat
Company Secretary

Place : New Delhi
Date : May 08, 2025



CHAMBAL FERTILISERS AND CHEMICALS LIMITED

Registered Office:

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corporate@chambal.in | www.chambalfertilisers.com | CIN: L24124RJ1985PLC003293