Contents

DIRECTORS' REPORT

Dear Members

Your Directors are pleased to present the Twentieth Annual Report on the business and operations of your Company together with the Audited Financial Statements for the Financial Year ended on March 31, 2025.

1. FINANCIAL RESULTS

The summarized standalone financial results for the year are as under:

(₹ in Lakh)

Particulars	Year ended 31.03.2025	Year ended 31.03.2024
A. Revenue From Operations	4,04,131.35	3,86,545.43
B. Other Income	1,207.51	4,465.66
Total Income (A+B)	4,05,338.86	3,91,011.09
Less: Total Expenses before Finance Cost, Depreciation & Tax	3,82,422.48	3,68,000.60
Profit Before Finance Cost, Depreciation & Tax	22,916.38	23,010.49
Less : Finance costs	6,476.15	4,819.56
Less : Depreciation and amortization expenses	5,887.62	5,511.29
Profit/ (Loss) Before Tax	10,552.61	12,679.64
Less: Tax Expenses	2,892.08	4,734.27
Add : Other Comprehensive Income	(264.03)	(136.45)
Total Comprehensive Income (A)	7,396.50	7,808.92
Balance in the retained earnings at beginning of the year (B)	28,517.01	21,084.11
Less: Dividend Paid	(1,439.82)	(2,879.64)
Less: Transferred to Debenture Redemption Reserve	0.00	(551.00)
Add: Transferred from Debenture Redemption Reserve	1,357.30	3,054.61
Balance in the retained earnings	35,830.99	28,517.01

2. PERFORMANCE HIGHLIGHTS

During Financial Year 2024-25, your company has achieved its Productions as well as Specific Energy Consumption targets for Ammonia and Urea both. This could become possible because of all round excellent efforts put-in by the employees at all levels under the guidance of Board of Directors and sincere efforts made by KRIBHCO's Marketing Department. In FY 2024-25, KFL has also achieved highest ever Ammonia & Urea Production and Lowest ever annual Specific Energy Consumption for Ammonia & Urea. This could be achieved by implementation of mega energy saving schemes in FY 2021-22 and also utilization of Liquid Carbon Di-Oxide (LCO_2). In FY 2024-25, for urea production, 16860.954 MT of LCO_2 was consumed.

Ammonia/Urea Production &Specific energy consumption is tabulated below:

Particulars	Unit	FY 2024-25	Target
Ammonia Production	MT	6,96,639.00	6,69,400
Urea Production	MT	11,34,900.050	10,95,000
Energy consumption for Ammonia	Gcal/MT	7.3583	7.4740
Energy consumption for Urea	Gcal/MT	5.1754	5.2070

The Plant has produced 11.349 Lakh MT of Urea and 6.966 Lakh MT of Ammonia with capacity utilization for Urea and Ammonia was 131.26% and 138.88% respectively. During the year 11.412 Lakh MT of Urea was sold. The Urea production beyond reassessed capacity was 2.703 Lakh MT. Urea production level achieved during the year 2024-25 was well above the targeted production of 10.950 Lakh MT.

The Company's financial results for the year 2024-25 shows an EBIDTA of ₹22,916.38 lakh on a turnover of ₹4,05,338.86 lakh against the previous year EBIDTA of ₹23,010.49 lakh on a turnover of ₹3,91,011.09 lakh. The bottom line stands at a Profit of ₹7,396.50 lakh for FY 2024-25 against a profit of ₹7,808.92 lakh for FY 2023-24.

During the year under review, your Company had spent ₹6,070.90 lakh capital expenditure primarily on Ammonium Bi-Carbonate Project, Energy Saving Schemes and other capital projects.

Your Company has always serviced its debt and interest thereon on the due dates and same practice is continuing. During FY 2024-25, there was not a single instance of any delay / default in service of debt / interest thereon. The Company has ability to service its financial and statutory liabilities as and when it becomes due.

3. FUTURE OUTLOOK

The New Urea Policy 2015 (NUP 2015) effective from 01.06.2015 had earlier revised the energy norm for the Company to 5.643 GCal/MT of Urea w.e.f. 01.06.2015. The said policy also indicated that your Company has to reach a targeted energy norm of 5.500 GCal/MT of Urea in FY 2018-2019. In order to achieve the targeted norm, your Company had taken action for implementation of some energy saving schemes since the announcement of NUP 2015 in May 2015 and has also planned for implementation of additional energy saving schemes so as to achieve the targeted norm on sustained basis. New Urea energy norm of 5.50 Gcal/MT of Urea is effective from 01st October, 2020. On further request by the industry, due to impact on COVID-19, Govt. has agreed to implement the energy norms w.e.f. 1st June, 2021 for your Company. Now, DOF is in the process of finalization of New Urea Energy Norms w.e.f. 01.04.2025 & a notification in this regard is yet to come.

Further, new Urea policy which was valid up to 31.03.2019 has been extended from 1stApril, 2019 till further orders. Accordingly, the provision of NUP as applicable to production upto re-assessed capacity and beyond re-assessed capacity will continue to be applicable.

Apart from above norms, Bureau of Energy Efficiency (BEE), Ministry of Power (MOP), Govt. of India, is in the process of implementation of "Carbon Credits Trading Scheme (CCTS)" and also "Renewable Consumption Obligation (RCO)" which will have further financial implications on the Company. RCO obligation is also applicable w.e.f. 01.04.2024 with 29.91% renewable energy consumption in the complex. Various representations have been made by the fertilizer industries, regarding consideration of waste energy utilization of Captive Co-generation Power Plant/ Process Plants as renewable energy, through FAI, but it is yet not considered by BEE, Ministry of Power.

Your Company is positive about future outlook and we have achieved Urea energy of 5.1754 Gcal/MT of Urea in FY 2024-25 which is well below the present norm of GOI (i.e. 5.50 Gcal/MT of Urea).

Planned production target for FY 2025-26 is 10,79,000 MT of Urea and the specific energy consumption will likely to be 5.206 Gcal/MT of Urea. A shutdown of 20 days is planned, in the month of Apr, 2025 during the FY 2025-26, for implementation of some of the ongoing schemes (such as 11E-5, 21R-1 HET etc.) and performing routine annual maintenance jobs in Ammonia & Urea Plants.

AMMONIUM BI-CARBONATE (ABC) PROJECT

The Company has installed ABC Project (white crystalline powder) with a capacity of 50 MT/Day or 18250 MT per annum having project cost of ₹6245 lakh. ABC is used in Food Sector, Leather, Pharmacy and Pesticide. In the Food Industry, it is used as raising agent for the preparation of baked food like cookies, crackers, pastas, cream-puff pastries, frozen dairy products, bakery ingredients, fire extinguishers, in the manufacture of plastics, rubber, dyes, ceramics, pigments and paints. Commercial production of ABC Project has been started on 03.10.2024 and plant has produced 2094.025 MT ABC in FY 2024-25.

Other projects are also being explored like wet milling of Maize to Starch, DPR preparation is under progress by M/s KPMG.

ENERGY SAVING SCHEMES

High Efficiency Trays (Casale Make) is to be installed in Urea-21 reactor in ATA-2025. This will result energy saving of ≈ 0.011 Gcal/MT of Urea.

Two nos. of energy saving schemes (installation of Ammonia Preheater and replacement of old CO_2 Compressor) have been finalized. After implementation of these schemes, the total energy saving will be 0.046 Gcal/MT of Urea.

4. SHARE CAPITAL

The paid up Equity Share Capital of the Company as on March 31, 2025 was ₹479.94 Crore and the entire share capital is in dematerialized form. During the year under review, the Company has not issued any shares with differential voting rights nor granted any stock options or sweat equity. As on March 31, 2025, none of the Directors of the Company hold shares or any convertible instruments of the Company. Krishak Bharati Cooperative Limited (KRIBHCO), promoter of the Company, is holding the entire shareholding of the Company as on date. During the year there was neither change in authorized, issued, subscribed and paid-up share capital nor any reclassification or subdivision in the authorized share capital.

5. DEBT SECURITIES

During the year your Company had not raised any funds by issuing debt instruments (non-convertible debentures) or commercial papers. A total of ₹165 crore of debt (non-convertible debentures) which were outstanding at the beginning of the year were repaid on maturity during the year along with interest thereon. No debt instrument (non-convertible debentures) or commercial papers remains outstanding as on 31.03.2025. During the year CRISIL vide its letter dated 06.09.2024 reaffirmed its rating on non-convertible debentures as “CRISIL AA/ Stable” pronounced as CRISIL Double A rating with Stable Outlook. The debt securities were backed by Corporate Guarantee of KRIBHCO. The non-convertible debentures were listed on the Wholesale Debt Market segment of Bombay Stock Exchange (BSE) from the date of issuance till its maturity.

Since allotment of first tranche of debt instruments in May, 2020 till the period of redemption of last tranche in December, 2024, your Company had paid the redemption amount and interest on time without any delay/default and has duly intimated this to BSE Limited and respective Debenture Trustee(s). Your Company does not fall under the category of “Large Corporate (LC)” as per the framework issued by SEBI for LC.

6. DIVIDEND

Considering the performance of the Company, the Board of Directors of the Company recommends a dividend of 3% i.e. ₹0.30 per equity share (previous year 3% i.e. ₹0.30 per equity share) out of the profits of the Company for FY 2024-25 on the fully paid 47,99,39,243 equity shares of Rs. 10 each. If approved by the members at the ensuing Annual General Meeting, the total dividend outgo would be ₹1439.82 lakh (previous year ₹1439.82 lakh) subject to deduction of applicable TDS (tax deduction at source). This is the fourth dividend recommended by the Board of Directors of your Company.

7. FIXED DEPOSITS

Your Company has not accepted any fixed deposits from the public during the year 2024-25.

8. AMOUNTS TRANSFERRED TO RESERVES, IF ANY

The Board of Directors have recommended payment of dividend for FY 2024-25 amounting to ₹1439.82 lakh. If the dividend is approved by the shareholders, the same will be paid out of the profits for FY 2024-25 and the balance shall remain in the Retained Earnings.

DEBENTURE REDEMPTION RESERVE

During the financial year 2024–25, the Company has fully redeemed all its outstanding Non-convertible Debentures (NCDs). As a result, there is no remaining liability towards debenture holders as on 31.03.2025. Further, in accordance with the provisions of the Companies Act, 2013 and the rules notified thereunder, the Company is no longer required to maintain a Debenture Redemption Reserve (DRR). Accordingly, on payment of due amount of Principal and Interest on NCDs, the entire balance lying in the Debenture Redemption Reserve amounting to ₹1357.30 lakh has been transferred to Retained Earnings during the year.

9. STATE OF COMPANY AFFAIRS AND CHANGE IN NATURE OF BUSINESS, IF ANY

The Company is engaged in the business of manufacture of Urea and Ammonia and there has been no change in the business of the Company, its status and financial year, during FY 2024-2025.

10. CREDIT RATING

The details of credit rating of your Company for various instruments as on 31.03.2025 is given hereunder:

Description	Amount Rated (₹ In Crore)	Rating*
A. CRISIL – Supported by Guarantee of KRIBHCO (Promoter)		
Cash Credit	700.00	CRISIL AA/ Stable
Cash Credit & Working Capital Demand Loan	445.00	CRISIL AA/ Stable
Working Capital Demand Loan	490.00	CRISIL AA/ Stable
Long Term Bank Facility	49.67	CRISIL AA/ Stable
Overdraft Facility	1,316.58	CRISIL A1+
Total	**3,001.25**	
B. India Ratings & Research		
Fund Based Working Capital Limit	440.00	IND AA/ Stable/ IND A1+
Term Loan	50.00	IND AA/ Stable
Total	**490.00**	
C. Care Rating		
Short Term Bank Facilities	200.00	CARE A1+
Total	**200.00**	

11. CORPORATE GOVERNANCE

Your Company has followed good Corporate Governance Practices in accordance with the provisions of the Companies Act, 2013 and Rules made thereunder. The various details on Board Composition, Managerial Remuneration, meetings of the Board, about its Committees, Key Managerial Personnel etc., are given hereunder:

A. BOARD COMPOSITION

As on 31.03.2025, the Board of Directors of your Company comprises of seven members of which four are Non-Executive Directors, one is Executive Director and two are Non-Executive Independent Directors including a Woman Director. All the Non-Executive Directors including Chairman are nominated by KRIBHCO, the Promoter of the Company. The appointment/re-appointment of Directors are being made by the resolutions of the Board of Directors and Shareholders of the Company on the recommendation of the Nomination and Remuneration Committee of the Board, as the case may be. None of the Directors have committed any disqualification as provided under Section 164 of the Companies Act, 2013.

B. CHANGES IN BOARD OF DIRECTORS

In accordance with the provisions of Companies Act, 2013 and Company's Articles of Association, Shri Sunder Singh Yadav (DIN 07022181), Director of the Company retires at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. The Board of Directors recommends his re-appointment for consideration of the shareholders.

Shri Rajan Chowdhry (DIN 02199935) was on the Board of the Company as Nominee Director of KRIBHCO. He was superannuated from the services of KRIBHCO on 31.08.2024. His resignation from the Directorship of the Company was accepted by the Board w.e.f. 24.10.2024. Your Directors wish to place on record their gratitude and appreciation for the valuable assistance and advice tendered by Shri Rajan Chowdhry throughout the period of his association with the Company.

Shri Mani Ram Sharma (DIN 08174739), Nominee Director of KRIBHCO was appointed by the Board of Directors of the Company as an Additional Director w.e.f. 24.10.2024 in their meeting held on 24.10.2024. As an Additional Director, Shri Mani Ram Sharma holds office till the ensuing Annual General Meeting of the Company.

The Nomination and Remuneration Committee of the Board has recommended the candidature of Shri Mani Ram Sharma for the office of Director and who has consented, if appointed, to act as Director. The Board of Directors recommends regularization of his appointment and the necessary resolution are proposed for your approval.

C. MANAGERIAL REMUNERATION

The Non-Executive Directors are paid sitting fees for attending each meeting of the Board of Directors and Committees thereof. During the year none of the Non-Executive Directors have been granted any stock options, commissions etc. The remuneration paid to the Executive Director is in accordance to the recommendation of the Nomination and Remuneration Committee of the Board of Directors and as per approval of the Shareholders of the Company.

D. MEETINGS OF BOARD

The Board of Directors of the Company met 05 times during the financial year 2024-25 on 9th May, 2024, 25th July, 2024, 24th October, 2024, 24th January, 2025 and 27th March, 2025.

E. COMMITTEES OF THE BOARD

Currently the Board has three Committees – Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee.

AUDIT COMMITTEE

The Audit Committee met 05 times during the financial year 2024-25 on 9th May, 2024, 25th July, 2024, 24th October, 2024, 24th January, 2025 and 27th March, 2025. The Audit Committee of the Board was reconstituted on 24.10.2024 with appointment of Shri Mani Ram Sharma (DIN 08174739) in place of Shri Rajan Chowdhry (DIN 02199935). The Audit Committee of the Board comprises of following Directors as on 31.03.2025 with Independent Directors forming a majority:-

Name	Directorship	Category
Shri Raman Govind Rajan	Independent Director	Chairman
Shri Mani Ram Sharma	Non-Executive Director	Member
Dr. Bindiya Bansal	Independent Director	Member

VIGIL MECHANISM

Your Company has in place a Vigil Mechanism Policy which is placed on the website of the Company at http://kfl.net.in/coc.htm.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee met 03 times during the FY 2024-25 on 9th May, 2024, 24th October, 2024 and 24th January, 2025. The Nomination and Remuneration Committee of the Board was reconstituted on 24.10.2024 with appointment of Shri Sunder Singh Yadav (DIN 07022181) and Shri Mani Ram Sharma (DIN 08174739) in place of Shri Rajan Chowdhry (DIN 02199935). The Nomination & Remuneration Committee of the Board comprises of following Directors as on 31.03.2025:

Name	Directorship	Category
Shri Mani Ram Sharma	Non-Executive Director	Chairman
Shri S. S. Yadav	Non-Executive Director	Member
Shri Raman Govind Rajan	Independent Director	Member
Dr. Bindiya Bansal	Independent Director	Member

In accordance to the provisions of the Companies Act, the Company has formulated a Nomination and Remuneration Policy for its Directors, Key Managerial Personnel and Senior Management. The Policy is placed on the website of the Company at http://kfl.net.in/coc.htm.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee met 05 times during the FY 2024-25 on 9th May, 2024, 25th July, 2024, 24th October, 2024, 24th January, 2025 and 27th March, 2025. The Corporate Social Responsibility Committee of the Board was reconstituted on 24.10.2024 with appointment of Shri Mani Ram Sharma (DIN 08174739) in place of Shri Rajan Chowdhry (DIN 02199935). The Corporate Social Responsibility Committee of the Board comprises of following Directors as on 31.03.2025:

Name	Directorship	Category
Shri Mani Ram Sharma	Non-Executive Director	Chairman
Shri Raman Govind Rajan	Independent Director	Member
Shri R. K. Chopra	Executive Director	Member

Your Company has formulated a Corporate Social Responsibility Policy and the same is placed on the website of the Company at http://kfl.net.in/csr.htm. A detailed report on the Corporate Social Responsibility is appended as **Annexure - 1** of this Report.

F. KEY MANAGERIAL PERSONNEL'S

During the year, under review, on the recommendation of the Nomination and Remuneration Committee, the tenure of Managing Director and Chief Financial Officer has been extended for a further period of one year and six months respectively.

Shri Vinod Kumar Singh was relieved as Head of Works (Vice President - Works), Shahjahanpur Plant on completion of his tenure on 31.12.2024 and consequently from the category of Key Managerial Personnel. The Board of Directors on the recommendation of the Nomination and Remuneration Committee had appointed Shri Vijay Bangar as Head of Works (Vice President – Works) w.e.f. 10th February, 2025 and also designated him as a Key Managerial Personnel (KMP). The following are the whole-time KMPs of the Company in pursuance to the provisions of section 2(51) and Section 203 of the Companies Act, 2013 as on 31st March, 2025:

Shri R.K.Chopra	– Managing Director
Shri M. C. Bansal	– Chief Financial Officer
Shri Vijay Bangar	– Vice President (Works)
Shri Bipin C. Phuloria	– Company Secretary

12. DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declarations from each Independent Director of the Company confirming that he/she met the criteria of independence as prescribed under section 149(6) of Companies Act, 2013.

13. ADDITIONAL DISCLOSURE ON INDEPENDENT DIRECTORS

Your Board of Directors are of the opinion that the appointed Independent Directors are persons of integrity and possess relevant expertise, experience including the proficiency. The MCA through its Rules and notifications has required for creation and maintenance of databank for Independent Director by Indian Institute of Corporate Affairs (IICA). All the Independent Directors have informed that they have registered themselves with IICA.

14. PERFORMANCE EVALUATION

During the year under review the evaluation of performance of the Directors individually as well as evaluation of Board and its Committees has been done. The evaluation process was carried by circulating evaluation forms listing out assessment criteria for the performance of the Board, its Committees, Chairperson and all the individual Directors. The performance evaluation of each Director was carried out by all the Directors excluding the Director being evaluated in addition to performance evaluation of Board, Chairperson and Committees of the Board by giving the ratings in evaluation form. The Board had reviewed the rating and remarks given by the Directors. The Directors expressed to continue with the existing evaluation process.

15. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

During the year, there was no amount or shares which required to be transferred to IEPF.

16. RISK MANAGEMENT

Your Company has put in place proper and adequate systems and practices, policies relating to the identification, assessment, monitoring and mitigation of strategic, operational and environmental risks to achieve its business objectives. The systems are reviewed from time to time to identify the element of the risk and to take preventive action. The Company has taken comprehensive Mega Risk Insurance coverage for its assets and Director's & Officer's Liability Insurance coverage in respect of any claim against Director's and Officer's arises due to decision taken by him/her in the official capacity to discharge his/her official duties. The policy also covers to defend Director's and Officer's legally in the court of laws. In addition to business risk, the safety of employees and workers is also of utmost importance in your Company. To make healthy and safe environment, the Company has implemented Occupational Health and Safety (OHS) Management System and obtained ISO 45001: 2018 certification.

17. INTERNAL FINANCIAL CONTROL

Your Company has a well-defined Internal Control System that is adequate and commensurate with the nature of its business, size and complexity of its operations to ensure adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures. The Company maintains its records in SAP system and the work flow and approvals are routed through SAP. The Company also have an effective budgetary control mechanism in place to take care of the capex and revenue expenditure. There is a monitoring system in place to compare the actual performance with the budget.

The Company's Internal Auditors scrutinize and sample check the internal controls and the work flow of the organization with the policies, procedures, manuals, approvals of the Management and Board of Directors of the Company. The report of the Internal Auditor with Management comments is submitted to the Audit Committee for its review from time to time and monitored by the Monitoring Committee constituted specifically for this purpose.

18. AUDITORS & AUDITORS REPORT

A. STATUTORY AUDITOR

M/s Raghu Nath Rai & Co., Chartered Accountants (FRN 000451N) were appointed as Statutory Auditors of the Company by the shareholders in their 18th Annual General Meeting held on 5th May, 2023 for a period of 5 years i.e. from the conclusion of 18th AGM till the conclusion of 23rd AGM. The reports given by the Statutory Auditors on the financial statements of the Company for FY 2024-25 are forming part of this Annual Report. The said reports are unmodified and there are no qualifications, reservations, adverse remarks or disclaimer.

The notes to the accounts in Auditors Report given by M/s Raghu Nath Rai & Co.,Chartered Accountants are self-explanatory and therefore, do not call for any further comments.

B. COST AUDITOR

The maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is required to be maintained by the Company and accordingly such accounts and records are made and maintained by the Company.

Pursuant to Section 148 of the Companies Act, 2013 and the Rules made thereunder, on the recommendation of the Audit Committee, the Company has appointed M/s Ravi Sahni & Associates, Cost Accountants as the Cost Auditor of the Company to conduct the audit of the cost records for FY 2025-26 maintained by the Company as per the applicable provision/Rules/Guidance Notes etc. As required under the Companies Act, 2013, the remuneration payable to the Cost Auditor will be placed before the Members in the general meeting for their ratification. Accordingly, a resolution seeking Member's ratification for the remuneration payable to M/s Ravi Sahni & Associates, Cost Auditors is included in the Notice convening the Annual General Meeting.

The Cost Audit Report for FY 2023-24 was filed on 13th August, 2024, which was within the due date of filing. The Cost Audit Report did not contain any adverse observation / comment or qualification from the Cost Auditor. The Cost Audit Report for FY 2024-25 will be filed within the prescribed time schedule.

C. SECRETARIAL AUDITOR

The Board has appointed M/s Agarwal S. & Associates, Practicing Company Secretaries to conduct the Secretarial Audit for the financial year 2024-25 as required under section 204 of the Companies Act, 2013 and Rules thereunder. The Secretarial Audit Report for the financial year ended March 31, 2025 is appended as **Annexure 2** to this Report. The Secretarial Audit Report is self-explanatory and does not contain any qualification, reservation or adverse remark.

D. INTERNAL AUDITOR

M/s S. K. Mehta & Co., New Delhi have been appointed as Internal Auditors of the Company for the financial Year 2024-25. The Internal Audit observations along with the Management action plan have been discussed in the meeting of the Audit Committee of the Board from time to time.

19. SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

Your Company does not have any Subsidiaries, Joint ventures or Associate Companies.

20. LOANS, GUARANTEES OR INVESTMENTS

The Company has neither directly nor indirectly given any Loan, Guarantee or made any Investment in/to any other Body Corporate or to any person beyond the limit prescribed under Section 186 of the Companies Act, 2013. The details of investments are provided in the notes to the Financial Statements forming part of the Annual Report.

21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

All Related Party Transactions entered during the year were on arm's length basis and in the ordinary course of business. The details of transactions with Related Party are provided in the notes to the Financial Statements forming part of the Annual Report. All related party transactions were placed before the Audit Committee and the Board, wherever applicable for their approval.

22. FRAUDS REPORTED BY THE AUDITOR

During the year under review, no frauds reported by the Auditors to the Audit Committee or the Board under Section 143(12) of the Act.

23. ANNUAL RETURN

The Annual Return is available on the website of the Company and link to access is http://www.kfl.net.in/annual-return.htm.

24. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

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

25. SOCIAL COMMITMENTS

Your Company is performing various activities for the development of communities, their welfare and for all round improvement in the quality of their life on a regular basis. Your Company organized regular medical camps wherein the health check-up of the villagers is done and necessary medicines are distributed. Your Company is also operating a widow pension scheme for the widows of nearby villages. Your Company is also extending its resources for providing relief in case of natural calamities such as floods, winters etc. Your Company has also taken up various activities like providing books for library for schools at nearby villages, water cooler for the school, installed 20 nos. of hand pumps at nearby villages, provided furniture's for schools etc. under its Corporate Social Responsibility programs.

26. HUMAN RESOURCES, INDUSTRIAL RELATIONS & SOCIAL WELFARE

Your Company has continued to place great importance on training and development of human resources and accordingly considerable efforts were made in training and development of the employees for harnessing their potential. During the year under review, many initiatives have been taken to support business through organizational efficiency, process change support and various employee engagement programs which have helped the Company to improve its productivity levels.

During the year, the industrial relations between the management and its employees remained very harmonious and cordial.

The Company is continuing with its policy of extension of welfare activities so as to improve the working environment and living conditions of the employees. Company continues to organize/support conducting of various religious functions, Health & Wellness Programs, health check-up, sports day, tournaments in its township from time to time so as to maintain harmonious & joyful atmosphere. The school, hospital and other infrastructure facilities in the Company's township are being improved and adequate investments have been made wherever required.

27. HEALTH, SAFETY, QUALITY & ENVIRONMENT PROTECTION

Your Company continued to focus on the key areas of Environment Protection, Health and Safety and all the regulatory and legislative requirements are being complied. Trade and domestic effluent are treated in respective treatment plant. Due to effective environmental management system, the treated effluent quality, ambient air quality & stack emissions are monitored and maintained as per standards. The Company operates an Environmental Management System which complies with the requirements of ISO 14001:2015 and the Quality Management System which complies with the requirement of ISO 9001:2015 for the scope 'Manufacture of Neem Coated Urea'.

The Company has obtained ISO 45001:2018 certification and implementation of Occupational Health and Safety (OHS) is being done in the plant effectively to make healthy and safe environment. Annual Medical check-up of all the employees is a continuous process in compliance to the statutory requirements as well as the conditions of ISO 45001:2018. To check the emergency preparedness, various training programs related to rescue operations; emergency management; fire safety etc. were organized in addition to mock drills. Further improvement in safety standards of Company in terms of infrastructure, skill of employees etc. is in progress to ensure zero accident.

All Safety & Fire Systems including fire tenders at plant are in healthy condition.

28. PARTICULARS OF THE EMPLOYEES

None of the employees of the Company falls under the ambit of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

29. SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards prescribed under section 118 (10) of the Companies Act, 2013.

30. SIGNIFICANT AND MATERIAL ORDERS

There are no significant and/or material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

31. DETAILS OF APPLICATION MADE OR ANY PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR.

During the year, no application was received or any proceedings were initiated / pending against your Company under the Insolvency and Bankruptcy Code, 2016.

32. NO MATERIAL CHANGES AND COMMITMENTS HAVE OCCURRED, AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

33. THERE WERE NO INSTANCES OF ONE TIME SETTLEMENT WHICH REQUIRE THE VALUATION FROM THE BANKS OR FINANCIAL INSTITUTIONS

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. No complaints were received during the year 2024-25.

35. DIRECTORS RESPONSIBILITY STATEMENT

As required under section 134(3)(c) and 134(5) of the Companies Act 2013, the Board of Directors of your Company confirms that:

a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b. the accounting policies had been selected and applied 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 your Company at the end of the financial year and of the profit or loss of your Company for that period;

c. proper and sufficient care had been taken for maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;

d. the annual accounts are prepared on a going concern basis;

e. the Directors, in the case of a listed company, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

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

ACKNOWLEDGEMENT

Your Directors have pleasure in recording their appreciation of the continued guidance & support extended by Department of Fertilizers (DoF)-Govt. of India, Reserve Bank of India, Railways, NHAI, Promoters and Shareholders, Lenders, Company's Bankers, Central and State Government Agencies, BSE, Debenture Trustees, Debenture holders, Customers and Suppliers.

Your Directors hereby wish to place on record their appreciation of the efficient and loyal services rendered by all staff and work force at all levels through their involvement, dedication and sincerity in achieving an all-round success. This unstinted support has been and continues to be integral to your Company's ongoing growth.

For and on behalf of the Board of Directors

C P Y

(Dr. Chandrapal Singh Yadav)
Chairman
DIN 00023382

Place: Noida (U.P.)
Dated:15.05.2025

ANNEXURE - 1

Annual Report on CORPORATE SOCIAL RESPONSIBILITY (CSR) Activities for the financial year 2024-25

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

1.	Brief outline on CSR Policy of the Company	Kribhco Fertilizers Limited ('the Company or KFL') is committed to upholding the highest standards of Corporate Social Responsibility ('CSR'). KFL endeavours to undertake CSR activities which have positive impact on the society and environment. The Company has framed a CSR Policy in compliance with the provisions of the Act, as amended, which is available on the Company's website at http://kfl.net.in/coc.htm.

2. Composition of CSR Committee as on March 31, 2025:

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.	Shri Mani Ram Sharma **(Appointed w.e.f. 24.10.2024)**	Chairman - Non-Executive Director	5	3
2.	Shri Raman Govind Rajan	Member - Non-Executive Independent Director	5	5
3.	Shri Ravi Kumar Chopra	Member - Managing Director	5	5
4.	Shri Rajan Chowdhry **(due to superannuation ceased to be a Director w.e.f. 24.10.2024)**	Chairman - Non-Executive Director	5	2

3.	The web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company.	http://kfl.net.in/csr.htm
4.	The details of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).	Not Applicable as the CSR Projects of the Company do not have 10 crore of average CSR obligation in the last 3 years

5. Details of the amount available for set-off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the financial year, if any.

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set-off for the financial year, if any (in Rs.)
1.	2021-22	NIL	NIL
2.	2022-23	NIL	NIL
3.	2023-24	11.62 lakh	11.62 lakh
	TOTAL	11.62 lakh	11.62 lakh

6.	Average net profit of the Company as per Section 135(5)	₹14488.30 Lakh
7.	(a) Two percent of average net profit of the Company as per Section 135(5)	₹289.77 Lakh
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
	(c) Amount required to be set-off for the financial year, if any	Nil
	(d) Total CSR obligation for the financial year (7a+7b-7c)	₹289.77 Lakh

8. (a) CSR amount spent or unspent for the financial year 2024-2025

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (Rs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount (in Rs.)	Date of Transfer	Name of the Fund	Amount	Date of Transfer
10.53 lakh	279.24 lakh	29.04.2025	NA	NIL	NA

(b) Details of CSR amount spent against ongoing projects for the financial year

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes / No).	Location of the project		Project Duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of implementation – Direct (Yes / No).	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration Number
1.	Construction of Community Centre	Rural Development Project as mentioned under item no. (x) of Schedule VII	Yes	Uttar Pradesh	Shahjahanpur	12 months from the date of LOI	283.07 lakh	3.83 lakh	279.24 lakh	Yes under the supervision of KFL Civil Deptt	NA	NA

(c) Details of CSR amount spent against other than ongoing projects for the financial year

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes / No).	Location of the project		Amount spent for the project (in Rs.)	Mode of implementation – Direct (Yes / No)	Mode of Implementation – Through Implementing Agency	
				State	District / Area			Name	CSR Registration Number
1.	Distribution of 10000 nos. of National Flags under "Har Ghar Tiranga" campaign.	Item No. (v)	Yes	Uttar Pradesh	Shahjahan pur	1.70 lakh	Yes	KFL Admin Deptt.	-
2.	Distribution of 5000 nos. of Steel Water Bottle under "Say no to single use Plastic" campaign of M/s Utkarsh Foundation	Item No. (iv)	No	Uttar Pradesh	Varanasi	5.00 lakh	No	M/s Utkarsh Global Foundation	CSR 0000 3183
						6.70 lakh			

(d)	Amount spent in Administrative Overheads	Nil
(e)	Amount spent on Impact Assessment, if applicable	Nil
(f)	Total amount spent for the Financial year (8b+8c+8d+8e)	₹10.53 Lakh

	(g)	Excess amount for set off, if any		
		Sl. No.	**Particulars**	**Amount (in ₹ Lakh)**
		(i)	Two percent of average net profit of the Company as per section 135(5)	**₹289.77 lakh**
		(ii)	Total amount spent for the Financial Year	₹10.53 lakh
		(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
		(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	N. A.
		(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
1.	2023-24	192.49 lakh	118.23 lakh	N.A.	NIL	NIL	74.26 lakh

(b) Details of CSR amount spent in the financial year for ongoing project of the preceding financial year (s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on project in the reporting Financial year (in Rs.)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project – Completed / Ongoing
1	NIL	Construction of Community Centre	2023-24	12 months from the date of LOI	192.49 lakh	122.06 lakh	122.06 lakh	Ongoing

10.		In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset – wise details).
	a.	Date of creation or acquisition of the capital asset (s): Not Applicable
	b.	Amount of CSR spent for creation or acquisition of capital asset: NIL
	c.	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: N. A.
	d.	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): N. A.
11.		Specify the reason(s) if the Company has failed to spend two per cent of the average net profit as per Section 135(5):- The Company had finalized CSR program in FY 23-24 which is an Ongoing Project. Due to flood in Shahjahanpur during July, 2024, the progress of Community Centre work is behind the schedule. In compliance to the CSR provisions an amount of ₹279.24 lakh has been transferred to Unspent CSR account on 29.04.2025 and same will be utilized in FY 2025-26.

For and on behalf of the Board of Director

M. R. Sharma
Chairman CSR Committee
DIN : 08174379

Ravi Kumar Chopra
Member CSR Committee &
Managing Director
DIN : 06969911

Place: Noida (U.P.)
Date : 15.05.2025

ANNEXURE - 2

FORM NO. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2025

{Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To,
The Members,
Kribhco Fertilizers Limited

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

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

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

(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;
- Not Applicable

(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; - **Not Applicable**

(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) Regulation, 2011; - **Not Applicable**

(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**

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - **Not Applicable**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - **Not Applicable**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- **Not Applicable**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - **Not Applicable**

(vi) Compliances/ processes/ systems under other applicable Laws to the Company are being verified on the basis of random sampling and as per compliance certificate submitted to the Board.

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India.

(ii) The Listing Agreements: Chapter-V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper composition of Directors on the Board of the Company.

Generally, adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

For **Agarwal S. & Associates**,
Company Secretaries,
ICSI Unique Code: P2003DE049100
Peer Review Cert. No.: 2725/2022

Sd/-

CS Sachin Agarwal
Partner
FCS No.: 5774
CP No.: 5910

Place: New Delhi
Date: 01.05.2025
UDIN: F005774G000244265

This report is to be read with our letter of even date which is annexed as "Annexure A" and forms an integral part of this report.

"Annexure A"

To,
The Members,
Kribhco Fertilizers Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records, based on our inspection of records produced before us for Audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and our report is not covering observations /comments / weaknesses already pointed out by the other Auditors.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.

5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis and to give our opinion whether Company has proper Board-processes and Compliance-mechanism in place or not.

6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Agarwal S. & Associates**,
Company Secretaries,
ICSI Unique Code: P2003DE049100
Peer Review Cert. No.: 2725/2022

Sd/-

CS Sachin Agarwal
Partner
FCS No.: 5774
CP No.: 5910

Place : New Delhi
Date : 01.05.2025
UDIN: F005774G000244265

ANNEXURE - 3

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 of the Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY

(i) Steps taken or Impact on conservation of energy:

KFL recognizes the importance of energy conservation and is fully committed to minimizing use of energy. Plant operations are continuously being reviewed and modifications made to reduce energy consumption wherever possible in continuation to our efforts for reducing the specific energy consumption for production of Ammonia and Urea. In order to show its commitment towards energy conservation, KFL also adopted Energy Management System (EnMS) i.e. ISO 50001:2018 for the scope 'Manufacture of Neem Coated Urea' in FY 2023-24 and its 1st Surveillance Audit was completed in November, 2024 for continuation of EnMS Certification.

In order to meet the DOF revised Urea energy consumption norm w.e.f. 1st June 2021, KFL have implemented some of major energy saving schemes in FY 2021-22. KFL has also identified some attractive Energy Saving Schemes for implementation.

The details of the main schemes under consideration are as under:-

(a) Replacement of CO_2 Compressor with new high efficiency compressor in Urea plant. By implementation of this scheme, the steam consumption in CO_2 Turbine will come down for same compressor output. Bids have been received and are under Technical discussion with vendor. This scheme is expected to be implemented by ATA 2026.

(b) Replacement of existing 15 nos. sieve trays with new High Efficiency Trays in Unit-21 of Urea plant. This scheme will reduce steam consumption in Urea Stripper and in turn will save energy. This scheme is expected to be implemented by April, 2025.

(c) Provision of Ammonia Pre-heater in Urea Plant. By implementation of this scheme steam consumption in Urea Stripper will come down and in turn it will save energy. This scheme is expected to be implemented by ATA 2026.

(d) Provision of small capacity Boiler Feed Water (BFW) Pump in Offsites (SPG) Plant. By implementation of this scheme power consumption in BFW Pump will reduce and in turn it will save energy. This scheme has been implemented in September 2024, under performance testing.

(ii) Steps taken by Company for utilizing alternate source of energy:

a) 2.0 MWp Rooftop Solar Power plant is in service w.e.f. 18.01.2024. Solar Power Plant was in operation throughout the year and total 2.589 GW power was generated during FY 2024-25.

(iii) Capital Investment on Energy Conservation Equipments:

NIL

B. TECHNOLOGY ABSORPTION

(i) The Efforts made towards Technology Absorption:

(a) New Primary Reformer (PR) Tubes having better metallurgy design (Schmidt Clemens, Spain) has resulted trouble free plant operation at elevated temperature. This had resulted reduction in tube failures and thus reduction in breakdown unproductive energy losses. This has also added advantage of increased steam generation from RG boiler in Ammonia plant by increasing PR exit process gas temperature.

(b) High Efficiency Trays (HET) of Casale Make, in Unit-21 of Urea Plant, for better conversion thus reduction in steam consumption in downstream urea stripper.

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

Schemes mentioned above are energy saving schemes which also have provided flexibility in plant operation. Schemes implemented so far have, accordingly, resulted in drastic reduction in specific energy consumption for production of Ammonia & Urea and have also resulted in sustained plant operation at higher loads.

The scheme studied and implemented above are in the direction to meet DOF/FICC revised Urea energy consumption norm of 5.50 Gcal/MT (yearly basis).

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

(a) the details of technology imported:

1. New Primary Reformer Tubes having better metallurgy (Schmidt Clemens, Spain) has resulted trouble free plant operation at elevated temperature. This had resulted reduction in tube failures and thus reduction in breakdown unproductive energy losses. This has also added advantage of increased steam generation from RG boiler in Ammonia plant by increasing PR exit process gas temperature.

2. High Efficiency Trays (HET) [Casale, Switzerland], in Unit-21 of Urea Plant, for better conversion thus reduction in steam consumption in downstream Urea stripper.

3. Provision of High efficiency inlet air filtration system for GTG-1 (Freudenberg Filtration Technologies, Germany) to improve the GTG performance due to fouling of compressor.

(b) the year of Import:

1. Technology was imported in June 2023.

2. Technology was imported in September 2024.

3. Technology was imported in February 2025.

(c) Whether the technology been fully absorbed:

1. Yes, it is fully absorbed from June 2023 in Ammonia Plant.

2. No, this scheme is expected to be implemented in April 2025 in Urea Plant.

3. No, this scheme is expected to be implemented in April 2025 in Offsite Plant.

(d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof, and:

Above Scheme#2 & Scheme#3 are expected to be fully absorbed in Apr-May 2025 in Urea Plant & Offsite Plant respectively.

(e) the expenditure incurred on Research and Development

NIL

C. FOREIGN EXCHANGE EARINGS AND OUTGO:

	2024-25	2023-24
Foreign Exchange outgo	₹3301.42 Lakh	₹5446.00 Lakh
Foreign Exchange earned	-	-

(Dr. Chandrapal Singh Yadav)
Chairman
DIN No.- 00023382
Kribhco Fertilizers Ltd.
"KRIBHCO Bhawan"
A-10, Sector -1, Noida (U.P.) 201301

Place : Noida (U.P.)
Date : 15.05.2025

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KRIBHCO FERTILIZERS LIMITED

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS Financial Statements of KRIBHCO Fertilizers Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year ended March 31, 2025 and notes to the Financial Statements, including a summary of significant accounting policies and Other explanatory information (herein after referred to as "Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standard Prescribed under section 133 of the Act read with the Company (Indian Accounting Standards) Rules 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2025 and its profit (financial performance including Other Comprehensive Income), Changes in Equity and its Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS Financial Statements 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 Ind AS Financial Statements*** section of our report. We are independent of the Company in accordance with the Code of Ethics issued by The Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Ind AS Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled are other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on these Ind AS Financial Statements.

Emphasis of Matter

We draw attention to the following matters:-

a) Note No. 2 – Property, Plant and Equipment

The Company has completed its Ammonium Bi Carbonate (ABC) Plant, with trial runs conducted from October 3, 2024, to December 31, 2024, and official commissioning on January 1, 2025. Associated costs for construction, installation, and trial operations have been capitalized, with depreciation starting from the commissioning date.

b) Note no.4 – Right of Use Assets (ROU)

The Company has recognized a Right-of-Use (ROU) asset and corresponding lease liability in respect of land allotted by the Uttar Pradesh State Industrial Development Authority (UPSIDA) for the railway siding project, based on the allotment letter dated 19th February 2025. As further disclosed in the said note, the formal lease deed in respect of the said allotment has not been executed as at the reporting date. The management, based on the terms of allotment and the certainty of enforceability, has accounted for the lease in accordance with Ind AS 116 – Leases.

c) Note No. 12 – Gas pooling applicable to Fertilizer (Urea) sector:

The Company has recognized a receivable of ₹18.49 crores for the Year ended March 2025 and ₹72.21 crore cumulatively till March 2025 from Department of Fertilizers on account of pooled price differential raised by GAIL India Limited on account of substitution of EPMC and Spot gas used for Urea operations with cheaper market priced gas.

Our opinion is not modified in respect of the above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Ind AS Financial Statements for the financial year ended 31 March 2025. These matters were addressed in the context of our audit of the Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS Financial Statements.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key Audit Matter	Response to Key Audit Matter
1.	**Revenue Recognition and measurement in respect to Subsidy Income** Recognition of subsidy is made on the basis of in-principle recognition/approval/ settlement of claims from Fertilizer Industry Coordination Committee (FICC), Department of Fertilizers, Government of India, while finalizing the Ind AS Financial Statements. Also the FICC regulates such subsidy and the bills raised on such notifications. Escalation/de-escalation in notified rates is estimated taking into account the effect of guidelines, policies, instructions and clarifications given. The Company recognizes and assesses Urea Subsidy Income in line with the notifications, circulars, and policies issued by the Department of Fertilizers, Government of India. With the Government of India setting the Maximum Retail Price (MRP) of Urea, the Company qualifies for a subsidy. This subsidy covers specific input costs and compensates for production beyond a predefined level known as Reassessed Capacity.	**Our Audit Procedures included the following:** a) We have reviewed the Company's accounting policies for Revenue Recognition (Refer Note 1.F of the Ind AS Financial Statements), relevant Notifications and Circulars issued by the DoF, Government of India, directions of FICC, various notifications issued from time to time and management assessment in relation to retailer margin. b) We have evaluated the design, implementation and operating effectiveness of key controls over recognition of subsidy Income. c) We have verified the supporting documentation determining that the subsidy was recognized in the correct accounting period and as per the notified rates.

	However, compensation for this excess production is capped at the lower of the Import Parity Price (IPP) of Urea plus associated incidental charges borne by the government for imported Urea, or the Company's own concession price, as determined by prevailing Urea policies. Additionally, the subsidy Income is adjusted for recoveries related to surplus ammonia sales or instances where not all ammonia is converted into Urea. During the year ended March 31, 2025 the Company has recognized Urea Subsidy Income of ₹3,22,672.94 lakhs and has outstanding Urea subsidy receivables of ₹65,348.57 lakhs. Since there is a time lag between actual expenditure incurred and notification of concession rates for the year, management exercises significant judgement in arriving at the Income entitled on account of same for the year. The recognized subsidy Income may deviate on account of revision/changes in such interpretation, estimates and judgements, arising from notification by the Department of Fertilizers. Accordingly, recognition and measurement of subsidy Income is determined to be a key audit matter for our audit of Ind AS Financial Statements.	d) In absence of notified rates, we have verified calculation of estimated rates based on information available with the Company for such costs which are a pass through. e) In case estimation of Income is based on other parameters like IPP of Urea etc. the verification of the same is based on available information in public domain. f) We have tested reasonability of assumptions based on past trends, consistency in application and changes in the same owing to change in Government policies. g) We have ascertained and analyzed variations with respect to amounts estimated and actually entitled upon notification with respect to previous years. h) We have also assessed as to whether the disclosures in respect of revenue are adequate.
2.	**Estimation of Provision & Contingent Liabilities** In the recognition and measurement of provisions, there is uncertainty about the timing or amount of the future expenditure required to settle the liability. In respect of contingent liabilities, there are estimates and assumptions made to determine the amount to be disclosed as at the year ended 31 March 2025, the amounts involved are significant. There is a high degree of judgement required for the recognition and measurement of provisions and disclosure of contingent liabilities. The Company has reported Contingent liabilities amounting to ₹179.05 lakh in Note 32A to financial statement. Due to the complexity involved in these litigation matters, management's judgement regarding recognition and measurement of provisions for these legal proceedings is inherently uncertain and it might change over time as the outcomes of the legal cases are determined.	**Our Audit Procedures included the following:** a) We enquired of the senior management and inspected the minutes of the board and various committees of the board where relevant, for claims arising and challenged whether provisions are required. b) In respect of significant claims, we checked the amount of claim, nature of issues involved, management submissions and corroborated the same with external evidence, where available. c) In respect of matters which are under dispute, we have assessed opinion of the Company's in-house Legal Department / external lawyers wherever necessary.

3.	**Trade receivables:** Trade Receivables appearing in financial statement consists of receivables from sale of products as well as receivable from Government of India in the form of subsidy. Trade Receivables as at 31 March 2025 amounting to ₹66,822.63 lakhs includes subsidy receivable of ₹65,348.57 lakhs. Refer Note 9 of the Ind AS Financial Statements.	**Our Audit Procedures included the following:** Our audit approach was a combination of test of internal controls and substantive procedures which included the following: a) In respect of Subsidy recoverable from Government of India, as no confirmation of balance is on record, we have relied on the management's assertion and estimates on the recoverability. As subsidy receivable is outstanding from Department of Fertilizer, Government of India (i.e. Sovereign Authority) and is backed by the approved claims generated from IFMS (Integrated-Fertilizer Management System) amount outstanding as at balance sheet date has been considered as recoverable (net of provisions). b) In respect of receivables other than Subsidy receivables, we have sent request for confirmation from the parties on selection basis. The response to the request was checked together, subsequent realisation check was also performed and long outstanding balances have been reviewed.
4.	**Property, Plant and Equipment** Management judgment is applied for determining the carrying value of property, plant and equipment, intangible assets and their respective depreciation/ amortization rates. These include the decision to capitalize or expense costs; the annual asset life review; the timelines of the capitalization/ decapitalization of assets and the measurement and recognition criteria for assets retired from active use. Please refer accounting policy no. 1.G. of the Ind AS Financial Statement	**Our Audit Procedures included the following:** **a)** Testing of controls in place over the fixed assets cycle, **b)** Evaluation of appropriateness of capitalization process. Performed tests to verify the capitalized costs, **c)** Assessment of the timelines of the capitalization of the assets and assessed the derecognition criteria for assets retired The useful life of assets has been assessed by the management. In performing these procedures, we reviewed the judgments made by management for the following: a) Identification of the nature of underlying costs capitalized, b) Appropriateness of asset lives applied in the calculation of depreciation/ amortization, c) Useful lives of assets prescribed in Schedule II of the Companies Act, 2013.

Information Other than the Ind AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report but does not include the Ind AS Financial Statements and our auditors' report thereon.

Our opinion on the Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditors' report, 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.

Responsibility of Management and those charged with the governance for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Ind AS Financial Statements, including the disclosures, and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in auditor's report unless law or regulation preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of changes in

Equity and Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

(e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to Ind AS Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors in accordance with the provisions of Section 197 of the Act.

(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 Company has disclosed the impact of pending litigations on its financial position in its Ind AS Financial Statements – Refer Note No.32 of the Ind AS Financial Statements.

ii. The Company has made provisions, as required under applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. (a) The final dividend proposed for the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act.

(b) Board of Directors of the Company have proposed dividend for the year 2024-25 which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Table showing the accounting software used by the Company

Name of the Accounting Software	Records maintained (Books of account)	Hosting Location	Maintained In house or Outsourced	Data - base	Operating System	Audit Trail enabled
SAP ERP	Journal entries, subledgers and general ledger	Company data Center, Shahjahanpur, U. P	In House	SYBASE Release: 15.7.0.141	Linux RHEL 7.3 64 Bit	Yes

Annexure "A" to the Independent Auditor's Report

The Annexure referred to in Independent Auditor's Report to the members of the Kribhco Fertilizers Limited on the Ind AS Financial Statements for the year ended 31st March 2025, we report that:

(i)(a) (A) To the best of our information and according to the explanations provided to us, the Company has maintained proper records showing full particulars, including quantitative details and situation, of its Property, Plant & Equipment and right-of-use assets.

(B) To the best of our information and according to the explanations provided to us, the Company has maintained proper records showing full particulars of intangible assets.

(b) To the best of our information and according to the explanations provided to us, the Company has a regular programme of physical verification of Property, Plant and Equipment and right-of-use assets and are physically verified in phased manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. According to the information and explanations given to us, no material discrepancy was noticed on such physical verification.

(c) To the best of our information and according to the explanations provided to us, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the Ind AS Financial Statements are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii)(a) In our opinion, physical verification of inventory has been conducted by the management at reasonable intervals during the year. According to the information and explanation given to us and based on the audit procedures performed by us, we are of the opinion that coverage and procedures of such verification is reasonable. No material discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such physical verification of Inventory.

(b) Company has also been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, during the year, from banks on the basis of security of current assets. Quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.

(iii) As per the information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties, accordingly reporting under clause 3(iii) of the Order is not applicable.

(iv) As per the information and explanations given to us, the Company has not given any loans, made any investments, provided any guarantees and security and as such the provisions of Section 185 & 186 of the Companies Act, 2013 are not applicable. Accordingly, clause 3(iv) of the Order is not applicable.

(v) The Company, has not accepted any deposits from the public during the year and does not have any deemed deposits as at March 31, 2025 and therefore, the reporting under clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the accounts and records maintained by the Company pursuant to the Rules made by the Central Government for maintenance of cost records prescribed under Section 148(1) of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 as amended and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made detailed examination of the records with a view to determine whether they are accurate and complete.

(vii)(a) According to the information and explanation given to us, the Company is regular in depositing undisputed statutory dues with appropriate authorities including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Duty of Custom, Duty of Excise, Cess and other Statutory dues as applicable to the Company and that there are no undisputed statutory dues outstanding as on 31st March, 2025 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2025 on account of disputes are given below:

(viii) As per the information and explanations given to us, there were no transactions relating to previously unrecorded Income that have been surrendered or disclosed as Income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, reporting under the clause 3 (viii) of the Order is not applicable.

(ix)(a) As per the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.

(b) According to information and explanation given to us and on the basis of audit, we report that the Company has not been declared wilful defaulter by any bank or financial institution or other lender.

(c) As per the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the Ind AS Financial Statements of the Company, we report that funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) As per the information and explanations given to us, Company has no subsidiary, associate or joint venture entity therefore, reporting under clause 3(ix)(e) is not applicable.

Nature of Statute	Nature of the Dues	Period for which amount relates	Amount Involved (₹ in Lakh)	Forum where dispute is pending
U.P. Stamp Act	Stamp Duty on Deed of Mortgage	F.Y. 2008-2009	19,000.00	Hon'ble High Court, Allahabad
Central Excise Act, 1944 and Finance Act, 1994	Excise/ Service Tax	For various years	166.00	Central Excise & Service Tax Appellate Tribunal, Allahabad
Central Goods and Services Tax Act, 2017	GST	FY 2017-2022	13.05	Appellate Authority

(f) The Company has no subsidiary, associate or joint venture, therefore, reporting under clause 3(ix)(f) of the order is not applicable.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

(xi) (a) According to information and explanation given to us and as represented by the management and based on our examination of books and records of the Company and in accordance with generally accepted audit procedures in India, no case of material fraud by the Company or on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.

(c) As per the information and explanations given to us and as represented by the management, no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

(xiii) In our opinion all transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable and the necessary details have been disclosed in the Ind AS Financial Statements as required by the applicable Indian Accounting Standards.

xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with Directors or persons connected with him and as such the compliance of provisions of Section 192 of the Companies Act, 2013 is not applicable. Accordingly, clause 3 (xv) of the Order is not applicable.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, hence, reporting under clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, hence, reporting under clause 3(xvi)((b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the Regulations made by the Reserve Bank of India and accordingly the provisions of clause (xvi)(c) of the Order are not applicable.

(d) In our opinion, there is no core investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) 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 Ind AS Financial Statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xix) In our opinion and based on explanations received, the Company had finalized CSR programe during FY 2023-24, which is an ongoing project. In compliance to the provisions of Section 135 of the Act, an amount of ₹279.24 Lakhs has been transferred to Unspent CSR Account on 29.04.2025 and the same shall be utilized in FY 2025-26.

For Raghu Nath Rai & Co.
Chartered Accountants
Firm Regn. No.: 0000451N

CA Pranav Goyal
(Partner)
Membership No.: 531988

UDIN: 25531988BMLCLP1302
Place: Noida
Date: 15.05.2025

Annexure "B" to the Independent Auditor's Report

Report on the internal Financial Controls With reference to financial Statement under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Ind AS Financial Statements of **Kribhco Fertilizers Limited** ('the Company') as of 31st March 2025 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Ind AS Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 Ind AS Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Ind AS Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Ind AS Financial Statements included obtaining an understanding of internal financial controls with reference to Ind AS 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 judgment, including the assessment of the risks of material misstatement of Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Ind AS Financial Statements.

Meaning of Internal Financial Controls with reference to Ind AS Financial Statements

A Company's internal financial control with reference to Ind AS Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles.

A Company's internal financial control with reference to Ind AS 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 Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Ind AS Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to Ind AS Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the financial reporting future periods are subject to the risk that the internal financial control with reference to financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to Ind AS Financial Statements in place and such internal financial controls with reference to Ind AS Financial Statements were operating effectively as at 31st March 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Raghu Nath Rai & Co.
Chartered Accountants
Firm Regn. No.: 0000451N

Goyal

CA Pranav Goyal
(Partner)
Membership No.: 531988

UDIN: 25531988BMLCLP1302
Place: Noida
Date: 15.05.2025

BALANCE SHEET AS AT MARCH 31, 2025

(₹ in Lakh)

		Particulars	Note No.	March 31, 2025		March 31, 2024	
I		**ASSETS**					
	1	**Non-current assets**					
	a	Property, Plant and Equipment	2	**1,13,281.55**		1,10,831.89	
	b	Capital work-in-progress	3	**7,236.40**		9,001.56	
	c	Right of Use Assets	4	**11,660.34**		7,552.32	
	d	Intangible assets	4A	**796.36**		923.45	
	e	Financial Assets:					
		i Investments	5	**0.25**		0.25	
		ii Loans	6	**24.45**		24.80	
		iii Other financial assets	12	**58.67**		58.41	
	f	Other non-current assets	7	**544.63**	**1,33,602.65**	829.89	1,29,222.57
	2	**Current assets**					
	a	Inventories	8	**10,947.02**		14,349.01	
	b	Financial Assets:					
		i Trade receivables	9	**66,822.63**		75,937.33	
		ii Cash and cash equivalents	10	**2,384.68**		6,109.35	
		iii Bank balances other than above	11	**10,002.48**		1.36	
		iv Loans	6	**37.08**		26.54	
		v Other financial assets	12	**7,790.57**		7,950.35	
	c	Other current assets	7	**7,990.69**	**1,05,975.15**	6,722.01	1,11,095.95
	3	**Non Current Assets classified as held for Sale**	13		**42.29**		41.34
		TOTAL ASSETS			**2,39,620.09**		2,40,359.86
II		**EQUITY AND LIABILITIES**					
	1	**Equity**					
		Equity Share Capital	14	**47,993.92**		47,993.92	
		Other Equity	15	**35,830.99**	**83,824.91**	29,874.31	77,868.23
	2	**LIABILITIES**					
	1	**Non-Current Liabilities**					
	a	Financial Liabilities:					
		(i) Borrowings	16	**-**		833.33	
		(ii) Lease Liabilities	16A	**564.25**		236.38	
	b	Provisions	17	**7,022.18**		6,377.04	
	c	Deferred Tax Liabilities (Net)	18	**7,713.64**	**15,300.07**	4,910.37	12,357.12

Continued...

BALANCE SHEET AS AT MARCH 31, 2025

(₹ in Lakh)

Particulars			Note No.	March 31, 2025		March 31, 2024	
2	**Current liabilities**						
a	Financial Liabilities:						
	i	Borrowings	16B	78,499.94		90,762.35	
	ii	Trade payables	19				
		- Total outstanding dues of micro and small enterprises		225.84		419.63	
		- Total outstanding dues of creditors other than micro and small enterprises		49,442.57		46,961.42	
	iii	Other financial liabilities	20	8,210.29		8,414.35	
b		Other current liabilities	21	3,466.54		2,859.58	
c		Provisions	17	649.93	1,40,495.11	717.18	1,50,134.51
TOTAL EQUITY AND LIABILITIES					2,39,620.09		2,40,359.86
Significant Accounting Policies			1				
Notes To Financial Statements			2 - 41				

The accompanying notes referred to above form an integral part of the financial statements

As per our report of even date

FOR RAGHU NATH RAI & CO.
Chartered Accountants
[Firm Reg. No. 000451 N]

FOR AND ON BEHALF OF BOARD OF DIRECTORS

PRANAV GOYAL
Partner
Membership No.:531988
UDIN: 25531988BMLCLP1302

M.R. SHARMA
Director
DIN: 08174739

R. K. CHOPRA
Managing Director
DIN: 06969911

Place : Noida
Date : 15.05.2025

M. C. BANSAL
Chief Financial Officer

BIPIN C. PHULORIA
Company Secretary

STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED MARCH 31, 2025

(₹ in Lakh)

	Particulars	Note No.	March 31, 2025	March 31, 2024
I	**Revenue From Operations**	22	4,04,131.35	3,86,545.43
II	**Other Income**	23	1,207.51	4,465.66
III	**Total Income (I+II)**		4,05,338.86	3,91,011.09
IV	**Expenses**			
	Cost of materials consumed	24	3,43,632.75	3,36,175.82
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	25	3,306.58	(1,980.26)
	Employee benefits expense	26	13,640.49	12,539.26
	Finance costs	27	6,476.15	4,819.56
	Depreciation and amortization expenses	28	5,887.62	5,511.29
	Other expenses	29	21,842.66	21,265.78
	TOTAL EXPENSES		3,94,786.25	3,78,331.45
V	**Profit before tax (III-IV)**		10,552.61	12,679.64
VI	**Tax expense**			
	Current Tax		-	-
	Deferred tax	18	2,892.08	4,734.27
VII	**Profit for the year (V-VI)**		7,660.53	7,945.37
VIII	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss Remeasurement of Defined Benefit Plans		(352.84)	(182.35)
	(ii) Income tax on Remeasurement of Defined Benefit Plans	30	88.81	45.90
IX	**Total Comprehensive Income (VII+VIII)**		7,396.50	7,808.92

Continued...

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2025

(₹ in Lakh)

Particulars	Note No.	March 31, 2025	March 31, 2024
Earnings per Equity Share (Face Value of ₹10.00 each)			
Basic & Diluted (in ₹)	**31**	**1.60**	1.66
Significant Accounting Policies	**1**		
Notes on Financial Statements	**2 - 41**		

The accompanying notes referred to above form an integral part of the financial statements.

As per our report of even date

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FOR AND ON BEHALF OF BOARD OF DIRECTORS

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DIN: 06969911

Place : Noida
Date : 15.05.2025

M. C. BANSAL
Chief Financial Officer

BIPIN C. PHULORIA
Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025

(₹ in Lakh)

	Particulars	As at March 31, 2025 No. of Shares	As at March 31, 2025 Amount	As at March 31, 2024 No. of Shares	As at March 31, 2024 Amount
a.	**Equity share capital**				
	Balance at the beginning of the reporting year	**47,99,39,243**	**47,993.92**	47,99,39,243	47,993.92
	Balance at the end of the reporting year	**47,99,39,243**	**47,993.92**	47,99,39,243	47,993.92

b. **Other equity** (₹ in Lakh)

Particulars	Reserves & Surplus: Retained Earnings	Reserves & Surplus: Debenture Redemption Reserves	Total
Balance as at March 31, 2024	**28,517.01**	**1,357.30**	29,874.31
Profit for the year	**7,660.53**	**-**	7,660.53
Other comprehensive income for the year (Net of Tax)*	**-264.03**	**-**	-264.03
Total comprehensive income for the year	**7,396.50**	**-**	7,396.50
Amount transferred to Debenture Redemption Reserve	**-**	**-**	-
Amount transferred to Retained Earnings	**1,357.30**	**-1,357.30**	-
Dividend paid	**-1,439.82**	**-**	-1,439.82
Balance at March 31, 2025	**35,830.99**	**0.00**	35,830.99
Balance as at March 31, 2023	**21,084.11**	**3,860.91**	24,945.02
Profit for the year	**7,945.37**	**-**	7,945.37
Other comprehensive income for the year (Net of Tax)*	**-136.45**	**-**	-136.45
Total comprehensive income for the year	**7,808.92**	**-**	7,808.92
Amount transferred to Debenture Redemption Reserve	**-551.00**	**551.00**	-
Amount transferred to Retained Earnings	**3,054.61**	**-3,054.61**	-
Dividend Paid	**-2,879.64**	**-**	-2,879.64
Balance as at March 31, 2024	**28,517.01**	**1,357.30**	29,874.31

**Remeasurement of Defined Benefit Plans*

The closing balance of retained earnings is arrived after adjustment of Remeasurement of Defined Benefit Plans amounting to ₹352.84 lakh during the year net of current tax amounting to ₹88.81 lakh.

Nature and purpose of reserves

a. Retained Earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to dividends or other distributions paid to shareholders.

b. Equity Instruments through Other Comprehensive Income Reserve: This reserve represents the cumulative gains and losses arising on the revaluation of equity and debt instruments on the balance sheet date measured at fair value through other comprehensive income. The reserves accumulated will be reclassified to retained earnings and profit and loss respectively, when such instruments are disposed.

FOR RAGHU NATH RAI & CO.
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R. K. CHOPRA
Managing Director
DIN: 06969911

Place : Noida
Date : 15.05.2025

M. C. BANSAL
Chief Financial Officer

BIPIN C. PHULORIA
Company Secretary

STATEMENT OF CASH FLOWS ANNEXED TO THE BALANCE SHEET FOR THE YEAR ENDED MARCH 31, 2025

(₹ in Lakh)

PARTICULARS	March 31, 2025	March 31, 2024
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net operating Profit/(Loss) before tax	**10,552.61**	12,679.64
Re-measurement gain/loss on defined benefit plans routed through Other Comprehensive Income	**(352.84)**	(182.35)
Depreciation of Property, Plant and Equipment	**5,747.63**	5,236.90
Amortisation of Intangible Assets	**139.99**	139.24
(Profit)/Loss on Sale/Retirement of Property, Plant and Equipment/ Investment (Net)	**197.93**	803.20
Allowance for Credit Impaired Trade Receivables	**0.03**	0.04
Interest Expenses	**6,476.15**	4,819.56
Operating Profit/(Loss) before Working Capital changes	**22,761.50**	23,496.23
(Increase) / Decrease in Trade Receivables	**9,114.67**	(43,595.25)
(Increase) / Decrease in Financial assets	**(10.19)**	6.43
(Increase) / Decrease in Other Financial assets	**159.51**	10,163.75
(Increase) / Decrease in Other assets	**(1,012.26)**	4,714.00
(Increase)/Decrease in Inventories	**3401.99**	(3,112.40)
Increase / (Decrease) in Trade Payables/ Provisions	**2,865.25**	2,112.31
Increase / (Decrease) in Other Financial Liabilities	**3,206.17**	3,220.19
	17,725.14	(26,490.97)
Cash generated (used) in/ from Operations before tax	**40,486.64**	(2,994.74)
Direct Taxes	**(2,775.37)**	(4,707.52)
Net cash flow (used) in/ from Operating Activities	**37,711.27**	(7,702.26)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Intangible Assets	**(12.90)**	(3.02)
Purchases of Property, Plant & Equipment	**(10,738.08)**	(16,534.00)
Net cash flow (used) in/ from Investing Activities	**(10,750.98)**	(16,537.02)
Net cash (used) in/ from Operating and Investing Activities	**26,960.29**	(24,239.28)

Continued...

(₹ in Lakh)

PARTICULARS	March 31, 2025	March 31, 2024
C. CASH FLOW FROM FINANCING ACTIVITIES		
Long-term borrowings repaid during the year	**(505.46)**	(24,758.44)
Short term borrowings repaid during the year	**(12,262.41)**	49,622.00
Interest paid	**(6,476.15)**	(4,819.56)
Dividend Paid	**(1,439.82)**	(2,879.64)
Net cash (used) in/ from Financing Activities	**(20,683.84)**	17,164.36
Net cash (used) in/ from Operating, Investing & Financing Activities	**6,276.45**	(7,074.92)
Opening balance of Cash & Cash equivalent	**6,110.71**	13,185.63
Closing balance of Cash & Cash equivalent	**12,387.16**	6,110.71

Notes:

a) The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows and presents cash flows by operating, investing and financing activities.

b) Refer note no. 39 (D) for amount spent during the years ended March 31, 2025 and March 31, 2024 on constructions/ acquisition of any asset and other purpose relating to CSR Activities.

c) Figures of the previous year have been regrouped/ rearranged wherever necessary to make it comparable to the current year presentation.

d) The cash credit facilities availed from bank are part of financing activity which do not form part of cash and cash equivalents for Cash Flow Statement purpose.

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DIN: 06969911

Place : Noida
Date : 15.05.2025

M. C. BANSAL
Chief Financial Officer

BIPIN C. PHULORIA
Company Secretary

ANNEXURE TO STATEMENT OF CASH FLOWS

(Refer Note (c) to Statement of Cash Flows)

Disclosure as per Para 44A of IND AS 7 for Reconciliation of Opening and Closing Financing Activities

	(₹ in Lakh)
Opening Financing Liabilities (A)	**91,832.07**
Add: Opening Interest Accrue but not due on long term debts (B)	**529.03**
Total Opening Financing Liabilities disclosed in Note 16 & 20 (C)	**92,361.10**
Long Term Repayments as disclosed above (D)	**538.58**
Long Term Borrowings Raised as disclosed above (E)	**-**
Short Term Borrowings Repayment as disclosed above (F)	**12,262.42**
Finance Costs for the year	**6,476.15**
Add: Opening Interest Accrue but not due on long term debts	**529.03**
Less: Closing Interest Accrue but not due on long term debts	**180.71**
Finance Costs paid during the year as disclosed above	**6,824.47**
Changes arising on account of EIR method for Long Term Borrowings (G)	**33.11**
Closing Financing Activities (A-D+E-F+G)	**79,064.18**
Add: Closing Interest Accrue but not due on long term debts	**180.71**
Total Closing Financing Liabilities disclosed in Note 16 & 20	**79,244.90**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

A. CORPORATE INFORMATION

KRIBHCO Fertilizers Limited is a public Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The shares of the Company are unlisted. The registered office of the Company is located at A-60, Kailash Colony, New Delhi - 110048. The Company is wholly owned subsidiary of Krishak Bharati Cooperative Limited (KRIBHCO).

The Company manufactures nitrogenous fertilizer viz. Urea through integrated Urea, Ammonia and Ammonium Bi Carbonate manufacturing facility at Shahjahanpur in the state of Uttar Pradesh in India.

Financial Statements were approved for issue in accordance with Resolution of the Board of Directors meeting held on 15/05/2025.

B. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

a. The Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act.

b. The Company has consistently applied accounting policies to all periods except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The material accounting policy information used in preparation of the Audited Condensed Standalone Interim Financial Statements have been discussed in the respective notes.

c. The standalone Financial Statements have been prepared under the historical cost and on accrual basis, except for the following: -

- Certain financial assets and liabilities (including Derivative financial instruments) measured at fair value.
- Certain provisions recognized using actuarial valuation techniques.
- Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

d. The Financial Statements are presented in Indian Rupees ('₹') and all values are presented in rounded to the nearest Lakhs, except when otherwise indicated.

e. The Company changes the presentation or classification of items in its Financial Statements upon being material and further reclassifies comparative amounts, unless impracticable. No such material reclassification has been made during the year.

f. Significant accounting judgements, estimates and assumptions.

i. The preparation of the Company's Standalone Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities as at the Balance Sheet date.

ii. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Any revisions to the accounting estimates are recognized prospectively when revised, in current and future periods.

Some of the significant accounting estimates and judgements are exercised as under:-

i. Subsidy Income

As per extant policies covering subsidy of Urea, major inputs costs are a pass through in the same. Since the notified rates of subsidy for Urea incorporating actual revision takes time, recognition of subsidy is generally made on the basis of in principle recognition/approval / settlement of claims from Government of India/ Fertilizer Industry Co-ordination Committee while finalising the Financial Statements. As per management estimates, there is reasonable certainty based on Government of India policies and past experience that claims will be notified in due course.

ii. Estimates of Useful lives of Assets/ Components

Company has identified significant components of plant and machinery and provides for depreciation over their useful lives as per its technical assessment along with certification from an independent Chartered Engineer.

iii. Provisions for Obsolescence

Provisions towards obsolete inventory are recognized as per management estimates which are no longer useable in normal business operations.

iv. Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of government bonds in India.

The mortality rate is based on India Assured Lives Mortality Modified Ult (IALM 2012-14) published by the Institute of Actuaries of India. Future salary increases are based on Company's assessment based on past trends.

v. Taxes

The Company's tax jurisdiction is in India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits.

vi. Leases

The Company assesses whether a contract constitutes a lease at its beginning. A contract is considered a lease if it grants the right to control the use of an identified asset for a period in exchange for consideration. This assessment involves checking if the contract involves the use of an identified asset, if the Company receives most of the economic benefits from using the asset, and if it has the right to direct its use.

For leases where the Company is a lessee, it recognizes a right-of-use asset and a corresponding lease liability, except for short-term leases and leases for low-value assets. Right-of-use assets are initially recorded at cost, adjusted for lease payments made, initial costs and incentives, and subsequently depreciated or amortized over the lease term or asset's useful life.

Lease liabilities are initially measured at the present value of future lease payments, discounted using the lease's implicit rate or, if not available, the incremental borrowing rate. The Company has applied Ind AS 116 – Leases for ascertainment of the same.

C. SIGNIFICANT ACCOUNTING POLICIES

a. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is classified as current when:

- It is expected to be realized in, or is intended for sale or consumption in the Company's normal operating cycle,
- It is held primarily for the purpose of being traded,
- It is expected to be realized within twelve months after the reporting date, or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

Where assets have been fully provided for as doubtful, the same are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in Company's normal operating cycle,
- It is held primarily for the purpose of being traded,
- It is due to be settled within twelve months after the reporting date, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting date.

All other liabilities are classified as non-current.

b. Foreign Currency Transactions

(i) The Company's Financial Statements are presented in Indian rupee ('₹') which is also its functional currency.

(ii) Foreign currency transactions are initially recorded at exchange rates prevailing on the date of such transactions.

(iii) Foreign currency monetary assets and liabilities remaining unsettled at the year-end are translated at the closing exchange rate. Gain and losses on account of exchange difference either on settlement or translation is recognized in the statement of Profit & Loss.

(iv) Non-monetary items denominated in foreign currency are reported using exchange rate prevailing on the date of transactions.

c. Fair Value Measurement

The Company measures financial instruments, such as, derivatives, investments in equity instruments, Transfer Development Rights etc. at fair value at each balance sheet date.

Fair value is the price that would be received 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, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:-

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the Financial Statements on a recurring basis, the Company determines whether transfers have occurred between the levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties, unquoted financial assets etc. Involvement of independent external valuers is decided upon annually by the Company. Further such valuation is done annually at the end of the financial year and the impact if any on account of such fair valuation is taken in the annual Financial Statements.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d. Sales

Sale is recognized upon the transfer of control of promised goods to the customers. Sales are stated at net of discount and rebates allowed.

Income from sale of scrap/salvage is recognized when sold.

e. Interest

Interest income is recognized on time proportion basis taking into account the amount outstanding & applicable interest rate, using effective Interest Rate (EIR) method.

f. Subsidy from Government of India

- Subsidy on Urea from the Government of India under Group Concession Scheme/ Pricing Scheme is recognized as revenue on the basis of quantity sold. Further, subsidy is recognized based on management's estimation taking into consideration the guidelines, policies, instructions and clarifications given by the Department of Fertilizers, Government of India (GOI) from time to time and is further adjusted for input price escalation/ de-escalation.
- Freight Subsidy is recognized on the quantity sold in terms of schemes notified by the Government of India (GOI).
- For production beyond Re-Assessed Capacity, the unit will be entitled for their respective variable cost and a uniform Per MT incentive equal to the lowest of the per MT fixed costs of all the indigenous Urea units subject to import parity price plus weighted average of other incidental charges which the government incurs on imported Urea.

g. Property, Plant & Equipment:

All items of property, plant and equipment, including freehold land are initially recorded at cost, net of recoverable taxes and discounts.

The cost includes purchase price, cost of replacing part of the property, plant and equipment meeting the recognition criteria and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment up to the date of commissioning of the assets.

Expenditures incurred during the trial run phase of property, plant and equipment are capitalized to the extent they are directly attributable to asset, in accordance with Ind AS 16. Any proceeds from the sale of items produced during such trial runs are deducted from the related costs.

In accordance with Ind AS 16- Property, Plant and Equipment commissioning expenses directly attributable to project is recognized under Capital Work in Progress (CWIP).

Subsequent to initial recognition, property, plant and equipment other than freehold land are measured at cost less accumulated depreciation and any accumulated impairment losses. The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Spares have been classified as Plant and Equipment and are depreciated accordingly.

When a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in Statement of Profit and loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Catalysts are charged to revenue over their estimated useful life. Value of Catalysts yet to be consumed in production process is considered as part of Inventories. Projects under which assets are not ready for their intended use are shown as Capital work in progress.

Freehold / Leasehold improvements are considered as Property, Plant and Equipment.

Depreciation

Depreciation is calculated on a Straight-line basis over the estimated useful lives of each item of property, plant and equipment as estimated by the management and charged to Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013.

Depreciation on additions/ deletions to Gross Block is calculated on pro-rata basis from the date of such additions and upto the date of such deletions.

Depreciable amount is the cost of an asset, or other amount substituted for cost, less its residual value. A maximum residual value of 5% is considered for all assets.

Property, Plant & Equipment individually costing up to ₹5,000/- are being fully depreciated in the year of acquisition.

Depreciation on other items of PPE has been provided on Straight Line Method based on useful life as specified in Schedule II of the Companies Act, 2013.

The estimate of useful life of the assets has been assessed based on technical evaluation which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support etc.

A major portion of the plant and equipment of the Company has been considered as continuous process plant.

The estimated useful life of items of property, plant and equipment is mentioned below:

S. No.	Assets	Useful Lives (In Years)
1	Plant and Equipments	1 to 30
2	Office Equipments	1 to 10
3	Furniture and Fixtures	1 to 10
4	Electrical Installations & Equipments	1 to 10
5	Factory Building	30
6	Buildings (other than factory buildings) RCC Frame Structure	60
7	Vehicles	8
8	Information Technology Equipments	3 to 6
9	Roads	5 to 10
10	Bridges, culverts, bunders, etc.	30
11	Fences, wells, tube wells	5
12	Railway Siding	30
13	Power Generation Plant	1-40
14	Laboratory Equipments	1-10

Freehold land has an indefinite useful life and therefore is not depreciated.

Depreciation on each item of an asset costing less than ₹5,000 are depreciated at 100% in the year of capitalization.

The residual values and useful life of property, plant and equipment are reviewed at each financial year and adjusted prospectively, if any.

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of profit and loss in the year the asset is de-recognized.

Assets under construction/ Capital Work in Progress included under Property, Plant and equipment are not depreciated as these assets are not yet available for use. However, they are tested for impairment if any.

h. Intangible Assets

a. Recognition and Measurement

Intangible assets acquired separately are measured on initial recognition at cost, net of recoverable taxes. The cost of intangible assets comprises its purchase price, and any cost directly attributable to bringing the asset to its working condition for the intended use. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

The Company has no intangible assets with indefinite useful lives.

b. Amortization

Intangible assets having finite useful lives are amortized over their respective individual estimated useful lives on a Straight-line basis, pro-rata from the date the asset is available to the Company for its use. Management estimates the useful life of software applications identified as intangible assets as five years.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

i. Impairment of Non-Financial Assets

The carrying amount of cash generating unit is reviewed at each balance sheet date where there is any indication of impairment based on internal / external indicators. An impairment loss is recognized in the statement of profit and loss where the carrying amount exceeds the recoverable amount of the cash generating unit.

j. Borrowing Cost

Borrowing costs that are attributable to the acquisition and construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expenses in the period in which they are incurred.

k. Leases – Ind AS 116

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(1) The contact involves the use of an identified asset;

(2) The Company has substantially all of the economic benefits from use of the asset through the period of the lease; and

(3) The Company has the right to direct the use of the asset. Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases for low value underlying assets. For these short-term and leases for low value underlying assets, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation/ amortization and impairment losses.

Right-of-use assets are depreciated/ amortized from the commencement date to the end of the useful life of the underlying asset, if the lease transfers ownership of the underlying asset by the end of lease term or if the cost of right of use assets reflects that the purchase option will be exercised. Otherwise, Right-of-use assets are depreciated/ amortized from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate.

l. Inventories

Inventories are valued at lower of cost and net realizable value. Cost in respect of various types of inventories is computed as under:

(i) Raw Materials, Packing Materials, Chemicals & Catalyst in Stock, Stores and Spares at Average Cost.

(ii) Stock in process at direct cost and appropriate portion of overheads.

(iii) Finished goods at annualized cost of production.

(iv) Catalysts issued are charged off over their estimated useful lives as technically assessed.

Net Realizable Value

Price of Urea is administered by the Government of India by which selling price is fixed for the buyer. The net realizable value for manufactured Urea is taken at the selling price net of dealer's margin plus the applicable rate of subsidy from Government of India.

Net realizable value of manufactured ammonia is taken at the applicable selling prices expected to be realized net of discounts and Import Parity Price (IPP) impact.

m. Provisions and Contingent Liabilities and Contingent Assets (Ind AS - 37)

(a) Provision is recognized when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date.

(b) Contingent Liabilities are disclosed on the basis of judgment of the management/ independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

(c) Contingent Assets are not recognized but disclosed in the Financial Statements.

n. Financial instruments

(A) Financial assets:

(i) Initial recognition and measurement:

All financial assets are recognized initially at fair value. However in the case of financial assets not recorded at fair value through profit or loss, it is recognized at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

(ii) Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortized cost

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income).

a) Financial Instruments at Amortized Cost

A financial asset that meets the following two conditions is measured at amortized cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- **Business model test**: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).

- **Cash flows Characteristics test**: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Debt Instruments at Fair Value through Other Comprehensive Income

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

- **Business model test**: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

- **Cash flows characteristics test**: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) **Debt Instruments at Fair Value through Profit or Loss (FVTPL)**

FVTPL is residual category of debt instruments. Any debt instrument which does not the criteria for categorization as at amortized cost or Fair Value through other comprehensive income is classified in this category. This category also includes derivative financial instruments entered by the Company that are designated as hedging instruments in hedge relationships as defined Under Ind AS 109.

Such instrument are measured at fair value with all changes recognized in P&L.

d) **Equity Investments**

All equity investments are measured at fair value with changes is recognized in other comprehensive income.

(iii) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognized (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either:

a) The Company has transferred substantially all the risks and rewards of the asset, or

b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

(iv) Impairment of Financial Assets

In accordance with Ind AS109 – Financial Instruments, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

i) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

ii) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 – Revenue from Contracts with Customers.

iii) Financial guarantee contracts which are not measured as at FVTPL

Expected Credit losses are measured through a loss allowance at an amount equal to:

a) The 12 Months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date).

b) Full Lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument.

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime Expected Credit Losses at each reporting date, right from its initial recognition. As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. However, the Company does not use provision matrix where the management is fairly confident of realization of its Receivable.

The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. On that basis, the Company estimates provision on doubtful debt at the reporting date.

ECL allowance is not recognized on Subsidy receivables since they are due from Government of India and also on other receivables which are largely due from Government agencies, as the Company does not perceive any risk of default which would be material.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month Expected Credit Losses is used to provide for impairment loss. However, if credit risk has increased significantly, Lifetime Expected Credit Losses is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month Expected Credit Losses. For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

B) Financial liabilities:

(i) Initial recognition and measurement

All financial liabilities are recognized initially at amortized cost net of directly attributable transaction costs except for derivative financial liabilities which are recognized at fair value through Statement of Profit & Loss. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(a) Financial liabilities at fair value through profit or loss

Financial liabilities designated upon initial recognition at fair value through profit or loss are measured subsequently through Statement of Profit & Loss.

(b) Financial liabilities at Amortized Cost

Financial liabilities that are not held-for- trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

(iii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

(iv) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(v) Derivative financial instruments and hedge accounting

The Company enters into derivative contracts to hedge its Loans, Buyers Credit and Letter of credits etc. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.

o. Employee Benefits

(a) Short Term Benefits: Short Term Employee Benefits are accounted for in the period during which the services have been rendered.

(b) Post-Employment Benefits & Other Long Term Employee Benefits:

(i) The Company's contribution to the Provident Fund is remitted to Recognized Provident Fund established for this purpose based on a fixed percentage of the eligible employee's salary and charged to Statement of Profit and Loss.

(ii) The Company operates defined benefit plans for Gratuity. The cost of providing such defined benefits is determined using the projected unit credit method of actuarial valuation made at the end of the year.

(iii) Obligations on Compensated Absences are provided using the projected unit credit method of actuarial valuation made at the end of the year.

(iv) The Company operates Group Death Benefit Scheme. The cost of providing such defined benefits is determined using the projected unit credit method of actuarial valuation made at the end of the year.

(c) Remeasurements:

(i) Re-measurements comprising of actuarial gains and losses in respect of post- employment benefits, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

(ii) Remeasurements comprising of actuarial gains and losses for Other Long Term Employee Benefits are charged to Statement of Profit and Loss.

p. Non-Current Assets held for Sale

Non-Current Assets held for Sale are measured at lower of the carrying amount and fair value less costs to sell. Property, Plant and Equipment once classified as held for sale are not depreciated.

q. Cash and cash equivalents:

Cash and cash equivalents comprise of cash at banks and on hand and short-term deposits with a maturity of three months or less. For the purpose of the cash flow statement, cash and cash equivalents include cash on hand, in banks, demand deposits with banks and other short term highly liquid investments, net of outstanding overdrafts that are repayable on demand and are considered part of the Company's cash management system.

The Ministry of Corporate Affairs (MCA) through Companies (Indian Accounting Standards) Rules, 2024, has notified the following amendments to Ind AS which are applicable for the annual periods beginning on or after 1st April 2024:

a) Ind AS 116 (Leases) - Clarification on Sale and Leaseback Transactions:

The amendments clarify the accounting treatment for sale and leaseback transactions with variable lease payments. Specifically, a seller-lessee needs to apply the amendments retrospectively to sale-and-leaseback transactions entered into on or after the date of initial application of Ind AS 116.

The Company does not expect this amendment to have any material impact in its Financial Statements.

b) Ind AS 117 & Ind AS 104 (Insurance Contracts):

This standard expands the scope of insurance contract accounting to include non-insurance entities with insurance-like contracts. The Ministry of Corporate Affairs (MCA) initially notified Ind AS 117 but didn't specify the roadmap for its application to insurance companies. Subsequently, the MCA notified the Companies (Indian Accounting Standards) Third Amendment Rules, 2024, to allow insurers to continue using Ind AS 104 for financial reporting until the Insurance Regulatory and Development Authority (IRDA) notifies the specific Ind AS 117 requirements.

The Company does not expect this amendment to have any material impact in its Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

2. PROPERTY, PLANT & EQUIPMENT AS ON 31.03.2025

(₹ in Lakh)

S. No.	Class of Assets (Description)	Deemed Cost / Cost				Depreciation				Net -Book value	
		As on 01.04.2024	Additions/ Adjustments	Deductions/ Adjustments	UPTO 31.03.2025	As on 01.04.2024	Provided during the year	Items Sold/ Discarded/ Adjusted	UPTO 31.03.2025	As On 31.03.2025	As On 31.03.2024
1	**Land (Freehold)**	59.35	-	-	59.35	-	-	-	-	59.35	59.35
2	**Buildings**										
	a) Factory Buildings	2,711.36	49.16	-	2,760.52	1,511.81	85.12	-	1,596.93	1,163.59	1,199.55
	b) Other than Factory Buildings (RCC Structures)	2,742.36	239.59	11.47	2,970.48	703.60	44.93	4.82	743.70	2,226.78	2,038.76
3	**Plant & Machinery**										
	a) Used in Continuous process Plant	2,21,316.97	7,559.57	791.56	2,28,084.99	1,37,397.60	4,464.80	605.34	1,41,257.06	86,826.96	83,919.37
	b) Used in Non Continuous process Plant	4,243.79	101.47	-	4,345.26	3,579.24	48.77	-	3,628.00	717.26	664.56
	c) Power Generation Plant	2,377.70	-	-	2,377.70	797.70	52.66	-	850.36	1,527.34	1,580.00
4	Furniture & fittings	223.13	25.40	6.04	242.48	178.07	13.41	3.11	188.37	54.12	45.06
5	Office Equipments	209.85	37.05	9.65	237.26	167.90	7.29	8.76	166.43	70.83	41.95
6	Vehicles	224.34	34.94	9.97	249.31	106.39	23.49	9.46	120.42	128.89	117.94
7	Computer	410.16	11.34	8.14	413.37	332.89	34.50	7.36	360.03	53.34	77.27
8	Bridges & Culverts	4,639.37	-	-	4,639.37	121.63	146.92	-	268.55	4,370.82	4,517.75
9	Railway Siding	16,365.80	24.81	-	16,390.62	429.04	518.94	-	947.99	15,442.63	15,936.76
10	**Others:**										
	a) Electrical Installation	420.27	32.10	1.30	451.06	225.54	39.34	1.25	263.62	187.44	194.73
	b) Fences, wells, tube wells	256.30	88.59	-	344.90	167.33	41.77	-	209.11	135.79	88.97
	c) Laboratory Equipments	207.34	51.81	0.16	258.99	145.21	12.58	0.15	157.63	101.36	62.13
	d) Roads	832.28	-	-	832.28	544.54	72.68	-	617.22	215.05	287.73
	Grand Total	**2,57,240.39**	**8,255.84**	**838.29**	**2,64,657.94**	**1,46,408.50**	**5,607.18**	**640.26**	**1,51,375.42**	**1,13,281.55**	**1,10,831.89**

PROPERTY, PLANT & EQUIPMENT AS ON 31.03.2024

(₹ in Lakh)

S. No.	Class of Assets (Description)	Deemed Cost / Cost				Depreciation				Net-Book value	
		As on 01.04.2023	Additions/ Adjustments	Deductions/ Adjustments	UPTO 31.03.2024	As on 01.04.2023	Provided during the year	On Items Sold/ Discarded/ Adjusted	UPTO 31.03.2024	As On 31.03.2024	As On 31.03.2023
1	**Land (Freehold)**	59.35	0.00	0.00	59.35	0.00	0.00	0.00	0.00	59.35	59.35
2	**Building**										
	a) Factory Buildings	2,711.36	0.00	0.00	2,711.36	1,427.85	83.97	0.00	1,511.81	1,199.55	1,283.52
	b) Other than Factory Buildings (RCC Structures)	2,671.32	74.92	3.88	2,742.36	663.12	41.57	1.09	703.60	2,038.76	2,008.20
3	**Plant & Machinery**										
	a) Used in Continuous process Plant	2,04,923.76	19,013.28	2,620.42	2,21,316.61	1,35,449.72	4,263.45	2,315.57	1,37,397.60	83,919.01	69,474.04
	b) Used in Non Continuous process Plant	4,169.70	74.46	0.00	4,244.15	3,533.28	45.95	0.00	3,579.24	664.92	636.41
	c) Power Generation Plant	2,371.84	8.36	2.50	2,377.70	745.98	52.53	0.82	797.70	1,580.00	1,625.85
4	Furniture & fittings	216.33	6.80	0.00	223.13	170.85	7.22	0.00	178.07	45.06	45.48
5	Vehicles	207.99	1.87	0.00	209.85	161.65	6.25	0.00	167.90	41.95	46.34
6	Office Equipments	190.80	33.53	0.00	224.34	90.21	16.18	0.00	106.39	117.94	100.59
7	Computer	384.22	25.94	0.00	410.16	299.52	33.37	0.00	332.89	77.27	84.70
8	Bridges & Culverts	0.00	4,639.37	0.00	4,639.37	0.00	121.63	0.00	121.63	4,517.75	0.00
9	Railway Siding	0.00	16,365.80	0.00	16,365.80	0.00	429.04	0.00	429.04	15,936.76	0.00
10	**Others**										
	a) Electrical Installation	349.42	84.62	13.77	420.27	205.82	31.06	11.35	225.54	194.73	143.59
	b) Fences, wells, tube wells	256.30	0.00	0.00	256.30	137.67	29.66	0.00	167.33	88.97	118.63
	c) Laboratory Equipments	218.51	15.18	26.36	207.34	160.19	10.05	25.04	145.21	62.13	58.32
	d) Roads	721.96	110.32	0.00	832.28	479.59	64.95	0.00	544.54	287.73	242.36
	Grand Total	**2,19,452.85**	**40,454.46**	**2,666.93**	**2,57,240.39**	**1,43,525.47**	**5,236.90**	**2,353.86**	**1,46,408.50**	**1,10,831.89**	**75,927.40**

3. CAPITAL WORK IN PROGRESS AS ON 31.03.2025

(₹ in Lakh)

Particulars	As on 31.03.2025	As on 31.03.2024
Opening Balance (A)	9,001.56	33,277.00
Additions (B)	10,492.03	16,179.02
Capitalisations (C)	12,257.20	40,454.46
Closing Balance (D=A+B-C)	**7,236.40**	**9,001.56**

Notes:

i) Amount of Borrowing Cost capitalized during the year is ₹325.88 lakh (Previous Year ₹453.79 lakh) .

ii) Refer Note 41(i)(6)-relating to additional disclosures with respect to CWIP.

4. RIGHT OF USE ASSETS AS ON 31.03.2025

(₹ in Lakh)

Description	CARRYING VALUE				DEPRECIATION				NET BOOK VALUE	
	As at 01.04.2024	Additions/ Adjustments*	Deductions/ Adjustments	As at 31.03.2025	Upto 01.04.2024	Provided during the year	Disposals/ Deductions	Upto 31.03.2025	As at 31.03.2025	As at 31.03.2024
Land (Leasehold) ROU	9,963.83	4,248.44	-	14,212.27	2,411.51	140.42	-	2,551.93	11,660.34	7,552.32

(₹ in Lakh)

	CARRYING VALUE				DEPRECIATION				NET BOOK VALUE	
Description	As at 01.04.2023	Additions/ Adjustments	Deductions/ Adjustments	As at 31.03.2024	Upto 01.04.2023	Provided during the year	Disposals/ Deductions	Upto 31.03.2024	As at 31.03.2024	As at 31.03.2023
Land (Leasehold) ROU	9,963.83	-	-	9,963.83	2,276.36	135.15	-	2,411.51	7,552.32	7,687.47

***Note: Recognition of Right-of-Use Asset Based on Allotment Letter**

During the year, the Company received an allotment letter from UPSIDA for 31.04727 hectares of land at Shahjahanpur for a railway siding project. Although the formal lease deed is pending, the Company assessed that the allotment letter grants enforceable rights to use the land. Accordingly, in line with Ind AS 116, it recognized a Right-of-Use asset and corresponding lease liability effective from 19th February 2025, based on its incremental borrowing rate. The capitalized amount includes the lease premium, interest obligations, and direct acquisition costs, and the Company retains full possession and operational control of the land.

4A. INTANGIBLE ASSETS AS ON 31.03.2025

Class of Assets (Description)	DEEMED COST/COST				DEPRECIATION				NET BOOK VALUE	
	As on 01.04.2024	Additions/ Adjustments	Deductions/ Adjustments	UPTO 31.03.2025	As on 01.04.2024	Provided during the year	Items Sold/ Discarded/ Adjusted	UPTO 31.03.2025	As On 31.03.2025	As On 31.03.2024
Servers and Networks	18.67	5.28	-	23.94	12.80	1.87	-	14.67	9.27	5.86
Software	181.57	7.63	-	189.19	172.29	4.54	-	176.83	12.36	9.28
Gas price rights & Loc. benfits	12,466.98	-	-	12,466.98	11,558.67	133.58	-	11,692.25	774.73	908.31
Grand Total	**12,667.21**	**12.90**	**-**	**12,680.11**	**11,743.76**	**139.99**	**-**	**11,883.75**	**796.36**	**923.45**

4A. INTANGIBLE ASSETS AS ON 31.03.2024

Class of Assets (Description)	DEEMED COST/COST				DEPRECIATION				NET BOOK VALUE	
	As on 01.04.2023	Additions/ Adjustments	Deductions/ Adjustments	UPTO 31.03.2024	As on 01.04.2023	Provided during the year	Items Sold/ Discarded/ Adjusted	UPTO 31.03.2024	As On 31.03.2024	As On 31.03.2023
Servers and Networks	18.67	-	-	18.67	11.39	1.41	-	12.80	5.86	7.27
Software	178.52	3.04	-	181.57	168.03	4.26	-	172.29	9.28	10.49
Gas price rights & Loc. benfits	12,466.98	-	-	12,466.98	11,425.10	133.57	-	11,558.67	908.31	1,041.88
Grand Total	**12,664.17**	**3.04**	**-**	**12,667.21**	**11,604.52**	**139.24**	**-**	**11,743.76**	**923.45**	**1,059.65**

5. INVESTMENTS

(₹ in Lakh)

Particulars	Non- Current		Current	
	Mar 31, 2025	Mar 31, 2024	Mar 31, 2025	Mar 31, 2024
2500 equity share @10/- each fully paid up of Saraswat Cooperative Bank Limited	**0.25**	0.25	**-**	-
TOTAL	**0.25**	0.25	**-**	**-**
Aggregate amount of unquoted investments	**0.25**	0.25	**-**	-

6. LOANS

Particulars	Non- Current		Current	
	Mar 31, 2025	Mar 31, 2024	Mar 31, 2025	Mar 31, 2024
Unsecured, considered good unless otherwise stated				
Loans and advances to Employees	**24.45**	24.80	**37.08**	26.54
TOTAL	**24.45**	24.80	**37.08**	26.54

7. OTHER ASSETS

Particulars	Non- Current		Current	
	Mar 31, 2025	Mar 31, 2024	Mar 31, 2025	Mar 31, 2024
Unsecured, considered good, unless otherwise stated				
Capital Advances	**371.21**	716.36	**-**	-
Balance with Revenue authorities	**-**	-	**342.53**	348.93
Prepaid Expenses	**-**	-	**180.10**	233.43
Employee Benefit Asset	**2.45**	2.10	**2.59**	1.97
Advance to Suppliers	**-**	-	**328.32**	279.46
Stamp Duty Paid under Protest	**-**	-	**5,770.43**	5,770.43
GST Paid under Protest	**-**	-	**1,366.37**	-
Advance tax & TDS (Net of provision)	**170.97**	111.43	**0.35**	87.79
TOTAL	**544.63**	829.89	**7,990.69**	6,722.01

8. INVENTORIES

(₹ in Lakh)

Particulars	March 31, 2025	March 31, 2024
Stock in Process	**87.89**	89.20
Finished Goods	**1,611.56**	4,078.91
Finished Goods in transit	**3,480.72**	4,318.64
Packing Material	**180.24**	96.09
Catalyst in Use	**980.29**	1,292.06
Chemicals & Catalyst	**181.21**	186.49
Loose Tools	**7.55**	6.56
Stores and spares	**4,464.39**	4,298.56
Less: Provision for Obsolete, Surplus and Non moving items	**46.83**	17.50
TOTAL	**10,947.02**	14,349.01

Notes:

i) Refer Note 16 B for Pledge/ Hypothecation of Current Assets against borrowings.

ii) Refer Note No. L For Accounting Policy for Valuation of Inventories.

9. TRADE RECEIVABLES

(₹ in Lakh)

Particulars	March 31, 2025	March 31, 2024
Subsidy Receivable (Unsecured - Considered Good)	**65,348.57**	74,670.27
Trade Receivables		
Secured - Considered Good	**360.39**	455.86
Unsecured - Considered Good	**1,113.71**	833.91
Significant Increase in Credit Risk	**0.03**	0.04
Less: Provision for Expected Credit Loss*	**0.07**	22.75
TOTAL	**66,822.63**	75,937.33

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on provision matrix. The provision matrix takes into account historical credit loss experience. The expected credit loss (ECL) allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting is as follows:-

ECL % - Ageing

Particulars	FY 25	FY 24
Age of Receivables (%)		
0-90 days	**-**	-
91-365 days	**1%**	1%
> 365 days	**100%**	100%
Receivable from GoI (Not tested for ECL)		
Age of Receivables (₹)		
0-90 days	**-**	-
91-365 days	**0.06**	0.04
> 365 days	**0.01**	-
Movement in ECL allowance :		
Balance at Beginning of the year	**22.75**	22.71
Movement	**-22.68**	0.04
Balance at End of the year	**0.07**	22.75

- Out of the Total Trade Receivables, Trade Receivables amounting to ₹360.39 lakh as on 31.03.2025 (PY ₹455.86 lakh) are secured against collaterals in form of Bank Guarantees received and held by the Company.

Note:

i) Refer Note 16B - for Pledge/ Hypothecation of Current Assets against borrowings.

10. CASH AND CASH EQUIVALENTS

(₹ in Lakh)

Particulars	March 31, 2025	March 31, 2024
CASH & CASH EQUIVALENTS		
Balance with banks:–		
- In Current Accounts	**2,383.60**	6,108.13
- Cash on hand	**1.08**	1.22
TOTAL	**2,384.68**	6,109.35

11. OTHER BANK BALANCES

(₹ in Lakh)

Fixed deposits with Government/ other departments	**-**	0.07
Fixed Deposits	**10,002.48**	1.29
TOTAL	**10,002.48**	1.36

12. OTHER FINANCIAL ASSETS

(₹ in Lakh)

Particulars	Non-Current		Current	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Unsecured, considered good, unless otherwise stated:				
Derivative Contracts at Fair Value	**-**	-	**-**	612.52
Security Deposits	**58.67**	58.41	**-**	-
GAIL Pool Fund	**-**	-	**7,221.41**	7,245.30
Other Receivables	**-**	-	**76.60**	44.53
Statutory Dues Receivables	**-**	-	**403.15**	48.00
Interest Receivable	**-**	-	**89.41**	-
TOTAL	**58.67**	58.41	**7,790.57**	7,950.35

13. NON CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

(₹ in Lakh)

Particulars	March 31, 2025	March 31, 2024
Non Current Assets held for Sale (Plant & Equipment)	**42.29**	41.34
TOTAL	**42.29**	41.34

The management estimates the realisable value of the above mentioned non-current assets classified as held for sale at 20% (Approx) of their carrying value.

14. EQUITY SHARE CAPITAL

Authorised		
100,00,00,000 (P.Y. 100,00,00,000) Equity Shares of Rs.10/- each	**1,00,000.00**	1,00,000.00
Issued, subscribed and fully paid up		
47,99,39,243 (P.Y. 47,99,39,243) Equity Shares of Rs.10/- each Fully Paid up	**47,993.92**	47,993.92
TOTAL	**47,993.92**	47,993.92

Notes:

1. During the period of five financial years immediately preceeding the Balance Sheet date, the Company has not:
   (i) allotted any fully paidup equity shares by way of bonus shares;
   (ii) allotted any equity shares pursuant to any contract without payment being received in cash;
   (iii) brought back any equity shares.
2. The Company has only one class of equity shares having a par value Rs.10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

(A) Reconciliation of the number of shares: (₹ in Lakh)

Particulars	March 31, 2025	March 31, 2024
Equity Shares		
Share outstanding as at the begining of the year	**47,99,39,243**	47,99,39,243
Add: Issued during the year	**-**	-
Balance at the end of the year	**47,99,39,243**	47,99,39,243

(B) Details of Number of Shares held by the Holding Enterprise

Particulars	Number of Equity Shares		% of Holding	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Krishak Bharati Cooperative Limited*	**47,99,39,243**	47,99,39,243	**100.00%**	100.00%

*Including seven shares held by individuals as nominees of KRIBHCO

(C) Details of Shareholders holding more than 5% shares in the Company

Particulars	Number of Equity Shares		Percentage %	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Krishak Bharati Cooperative Limited*	**47,99,39,243**	47,99,39,243	**100.00%**	100.00%
TOTAL	**47,99,39,243**	47,99,39,243	**100.00%**	100.00%

*Including seven shares held by individuals as nominees of KRIBHCO

(D) Shareholding of Promoter

Shares held by promoters as at March 31, 2025:

Promoter Name	Number of Shares	% of Total Shares	% Change during the Year
Krishak Bharati Cooperative Limited*	47,99,39,243	100.00%	-

*Including seven shares held by individuals as nominees of KRIBHCO

15. OTHER EQUITY

(₹ in Lakh)

Particulars	March 31, 2025	March 31,2024
(a) Retained Earnings		
Balance at the beginning of the Financial year	**28,517.01**	21,084.11
Profit for the year	**7,660.53**	7,945.37
Other comprehensive income for the year (Net of taxes)	**(264.03)**	(136.45)
Less: Dividend Paid	**(1,439.82)**	(2,879.64)
Amount transferred to Debenture Redemption Reserve	**-**	(551.00)
Amount transferred from Debenture Redemption Reserve	**1,357.30**	3,054.61
Balance at the end of the Financial year	**35,830.99**	28,517.01

(₹ in Lakh)

Particulars	March 31, 2025	March 31,2024
(b) Debenture Redemption Reserve		
Balance at the beginning of the Financial year	**1,357.30**	3,860.91
Amount transferred from Retained Earnings	**-**	551.00
Amount transferred to Retained Earnings	**(1,357.30)**	(3,054.61)
	-	1,357.30
TOTAL	**35,830.99**	29,874.31

Notes:

1. Debenture Redemption Reserve is created out of retained earnings in accordance with provisions of Companies Act, 2013 and same has been transferred to Retained Earnings as all the debentures are redeemed in FY24-25.
2. The Company has made a payment of final dividend of ₹0.30 (31st March 2023: ₹0.60) per equity share for the Financial year 2023-24 amounting to ₹1,439.82 lakhs on 07-06-2024 (31st March 2023: ₹2,879.64 lakhs).
3. For FY 24-25, the Board of Directors have recommended a final dividend of ₹ 0.30 per equity share (PY. ₹0.30 per equity share) which is subject to the approval by shareholders of the Company.

16. BORROWINGS

(₹ in Lakh)

Particulars	Non- Current		Current	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
LONG TERM - Term Loans				
i) From Banks - Secured				
Bank of Bahrain	**-**	-	**-**	1,666.64
First Abu Dhabi Bank	**-**	-	**-**	3,297.38
Axis Bank	**-**	833.33	**-**	3,333.33
Sub-Total	**-**	833.33	**-**	8,297.35
ii) Debentures				
Non-Convertible Redeemable Debentures-Unsecured	**-**	-	**-**	16,489.87
Sub-Total	**-**	-	**-**	16,489.87
TOTAL	**-**	833.33	**-**	24,787.22

16A LEASE LIABILITIES

Particulars	Non- Current		Current	
Unsecured				
Long term maturties of Finance Lease Obligation	**564.25**	236.38	**-**	-
TOTAL	**564.25**	236.38	**-**	-

16B BORROWINGS-CURRENT

(₹ in Lakh)

Particulars	March 31, 2025	March 31, 2024
SHORT TERM		
Working Capital Borrowings		
Secured Loans from Banks (Note-1)	**54,500.00**	45,271.05
Unsecured		
From Banks (Note-2)	**23,999.94**	20,704.08
	78,499.94	65,975.13
Current maturities of long-term borrowings	**-**	24,787.22
TOTAL	**78,499.94**	90,762.35

Note 1: Secured Loans:

WCDL of ₹54,500.00 lakh (Previous Year ₹45,271.05 lakh) from Banks is secured by first pari passu charge on all the current assets of the Company by way of hypothecation of stock, store, book-debts and other current assets of the Company out of which WCDL of ₹41,500.00 lakh is backed by the Corporate Guarantee of holding enterprise Krishak Bharati Cooperative Limited (KRIBHCO).

Note 2: Unsecured Loans:

Unsecured loans from banks of ₹13,999.98 lakh (Previos Year ₹20,704.08 lakh) are backed by Corporate Guarantee of holding enterprise - Krishak Bharati Cooperative Limited (KRIBHCO).

17. PROVISIONS

(₹ in Lakh)

Particulars	Non- Current		Current	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Provision for Employee Benefits				
Gratuity	**3,784.07**	3,410.59	**256.62**	301.00
Leave Encashment	**2,997.85**	2,739.81	**363.91**	387.88
Death Benefit Scheme	**240.26**	226.64	**29.40**	28.30
TOTAL	**7,022.18**	6,377.04	**649.93**	717.18

18. DEFERRED TAX ASSETS / LIABILITIES

(₹ in Lakh)

Particulars	March 31, 2025	March 31, 2024
Deferred Tax Assets		
- Unabsorbed depreciation	**5,166.15**	7,078.59
- Provision for Employee Benefits	**146.81**	79.10
- Other Temporary Differences	**84.32**	42.97
Sub- Total (a)	**5,397.28**	7,200.66
Deferred Tax Liabilities		
- Property, Plant & Equipment & Intangible Assets	**13,110.92**	12,111.03
Sub- Total (b)	**13,110.92**	12,111.03
Net Deferred Tax (Asset) / Liability (b)-(a)	**7,713.64**	4,910.37

Note-1: Deferred Tax Assets in respect of unabsorbed depreciation in the previous year recognized to the extent of net deferred tax liability on the concept of the probability that future taxable profit will be available against which it can be utilized as envisaged in Ind AS 12-Income Taxes.

Note-2: During the year net increase in Deferred Tax Liability is recognised as under: (₹ in Lakh)

	FY25	FY24
a) Opening Balance	4,910.37	222.00
b) Recognised in statement of Profit & Loss	2,892.08	4,734.27
c) Recognised in Other Comprehensive Income	-88.81	-45.90
TOTAL	**7,713.64**	**4,910.37**

19. TRADE PAYABLES

(₹ in Lakh)

Particulars	March 31, 2025	March 31, 2024
Acceptances		
For Goods & Services		
Total outstanding dues of micro and small enterprises	**225.84**	419.63
Total outstanding dues of creditors other than micro and small enterprises	**49,442.57**	46,961.42
TOTAL	**49,668.41**	47,381.05

Note: Trade payables are normally non-interest bearing and are usually settled within 45-days from the date of receipt of invoice unless they are contracted with specific credit terms as applicable

20. OTHER FINANCIAL LIABILITIES

(₹ in Lakh)

Particulars	Non- Current		Current	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Deposit from Contractor/Vendors	-	-	**4,875.60**	4,699.80
Interest accrued but not due on secured borrowings	-	-	**177.90**	-
Interest accrued but not due on unsecured borrowings	-	-	**2.82**	529.03
Employee/Other Dues Payable	-	-	**1,367.23**	1,021.18
Payables for Capital Items	-	-	-	940.29
Derivative Liabilities	-	-	**12.49**	-
Balances Tied Up with Government	-	-	**1,774.25**	1,224.05
TOTAL	-	-	**8,210.29**	8,414.35

21. OTHER LIABILITIES

(₹ in Lakh)

Particulars	Current	
	March 31, 2025	March 31, 2024
Advances from customers	**3,070.82**	2,465.47
Statutory dues payable	**395.72**	394.11
TOTAL	**3,466.54**	**2,859.58**

22. REVENUE FROM OPERATIONS

(₹ in Lakh)

Particulars	March 31, 2025	March 31, 2024
Revenue from Operations:		
Sale of Manufactured Products	**81,458.41**	75,246.08
Subsidy on Urea (net of recovery/adjustments)	**3,22,672.94**	3,11,299.35
TOTAL	**4,04,131.35**	3,86,545.43

Particulars	March 31, 2025	March 31, 2024
Notes:		
1) Sales are net of Discounts/Rebates		
2) Disaggregate in Revenue :		
i) Breakup of revenue from sale of products :		
- Urea	**59,817.01**	55,491.42
- Ammonia	**21,274.22**	19,458.14
- Ammonium BiCarbonate	**141.21**	-
- Electricity	**225.97**	296.52
TOTAL	**81,458.41**	75,246.08
(ii) Breakup of revenue from Concession/ Price Support from Central Government :		
Urea:		
- Price Concession	**3,10,936.94**	2,98,106.63
- Freight Subsidy	**11,736.00**	13,192.72
TOTAL	**3,22,672.94**	3,11,299.35

3) Sales of goods to Customers are made at fixed rates.

4) There are no pending performance obligation for sales made by the Company and accordingly no revenue is to be recognised in the future.

5) The Company classifies the right to consideration on sale of goods as trade receivables.

6) Subsidy include ₹816.58 lakh in respect of earlier years, determined during the year.

23. OTHER INCOME

(₹ in Lakh)

Particulars	March 31, 2025	March 31, 2024
Interest Income:		
- FDR	**211.97**	473.42
Rentals/ Compensation of Properties	**33.94**	46.09
Insurance claim received	**416.23**	1,952.88
Liability no longer required written back	**150.22**	112.31
Scrap Sales	**93.13**	1,681.56
Sale of Energy Saving Certificate	**4.89**	48.47
Foreign Exchange Fluctuation Gain (Net)	**-**	45.68
Miscellaneous	**297.13**	105.25
TOTAL	**1,207.51**	4,465.66

24. COST OF MATERIALS CONSUMED

Raw Materials - Fertilizers	**2,01,932.25**	1,98,976.83
Packing Materials	**3,723.16**	3,545.19
Chemicals and Catalysts	**2,334.29**	1,938.72
Power, Fuel & Water	**1,35,034.72**	1,31,124.96
Power Import from Grid	**608.33**	590.12
TOTAL	**3,43,632.75**	3,36,175.82

25. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN -TRADE AND WORK-IN-PROGRESS

(₹ in Lakh)

Particulars		March 31, 2025	March 31, 2024
Inventories at the end of the year:			
- Finished goods	**5,092.27**		8,397.54
- Stock in Process	**87.89**		89.20
		5,180.16	
Inventories at the beginning of the year:			
- Finished goods	**8,397.54**		6,383.80
- Stock in Process	**89.20**		122.68
		8,486.74	
Net (Increase) / Decrease		**3,306.58**	(1,980.26)
Details of Inventories			
Finished Goods (Manufactured):			
- Urea		**4,079.11**	6,251.67
- Ammonia		**874.51**	2,145.87
- Ammonium Bi-Carbonate		**138.65**	-
TOTAL		**5,092.27**	8,397.54
Stock in Process:			
- Urea		**13.91**	14.40
- Ammonia		**73.98**	74.80
TOTAL		**87.89**	89.20

Note: The Company does not maintain inventory of renewal energy certificates.

26. EMPLOYEE BENEFITS EXPENSE

Salaries, wages and bonus	**12,488.21**	11,427.13
Contribution to Provident & other funds	**587.98**	551.09
Staff welfare expenses	**541.15**	536.43
Directors' Sitting Fees	**20.80**	22.00
Others	**2.35**	2.61
TOTAL	**13,640.49**	12,539.26

27. FINANCE COSTS

Interest:		
- On Term Loans	**606.10**	2,053.68
- On Working Capital	**5,323.41**	2,512.88
Unwinding of Discount on Deposits	**191.16**	158.57
Other Borrowing Costs	**335.12**	76.92
Interest Expense on Lease Liabilities	**20.36**	17.51
TOTAL	**6,476.15**	4,819.56

Note: Interest expenses represent amount calculated using effective interest rate method for financial liabilities classified at Amortised Cost.

28. DEPRECIATION AND AMORTIZATION EXPENSE

(₹ in Lakh)

Particulars	March 31, 2025	March 31, 2024
Depreciation on Property, Plant & Equipment	**5,607.18**	5,236.90
Depreciation on ROU	**140.45**	135.15
Amortisation on Intangible Assets	**139.99**	139.24
TOTAL	**5,887.62**	5,511.29

29. OTHER EXPENSES

Particulars	March 31, 2025	March 31, 2024
Repairs & Maintenance		
- Plant and Machinery	**2,083.74**	2,100.91
- Buildings	**485.52**	359.04
Insurance	**864.66**	752.45
Rent	**22.53**	37.79
Rates & Taxes	**20.86**	14.49
Travelling Expenses	**76.95**	46.86
Horticulture Expenses	**139.58**	131.80
Safety & Security Expenses	**283.64**	270.45
Celebration Expenses	**36.57**	100.27
Guest House Expenses	**44.62**	34.51
Freight and Forwarding Charges	**13,635.27**	12,790.90
Service Charges	**1,645.15**	1,517.06
Legal and professional charges	**141.23**	138.53
Auditor's Remuneration		
- for Statutory audit	**10.00**	10.00
- for tax audit	**1.50**	1.50
- for other services	**1.97**	4.30
- for reimbursement of out of pocket expenses	**0.15**	-
Printing and Stationery	**4.03**	2.43
Corporate social responsibility expenses	**289.77**	192.49
Loss on discarding/disposal of PPE (net)	**197.93**	803.20
Pollution Control Expenses	**-**	13.07
Bagging Expenses	**875.91**	698.75
Bank charges	**111.97**	121.82
Foreign Exchange Fluctuation Loss (Net)	**0.09**	-
Loss on Derivative Contracts (Net)	**552.30**	2.11
Vehicle Running and Maintenance	**123.44**	122.56
Provision for Non-Moving/ obsolete Items of Inventory /Retired assets	**1.77**	30.90
Allowance for Credit Impaired Trade Receivables	**0.03**	0.04
Miscellaneous expenses	**191.48**	967.55
TOTAL	**21,842.66**	21,265.78

30. OTHER COMPREHENSIVE INCOME

Particulars	March 31, 2025	March 31, 2024
(i) Items that will not be re-classified to Profit or Loss		
Remeasurement of the Defined Benefit Plans	**352.84**	182.35
(ii) Income tax relating to items that will not be reclassified to profit or loss		
Remeasurement of the Defined Benefit Plans	**-88.81**	-45.90
TOTAL	**264.03**	136.45

31. EARNING PER SHARE (EPS)

(₹ in Lakh)

Particulars	March 31, 2025	March 31, 2024
Net Profit for the Year	**7,660.53**	7,945.37
Weighted Average number of Equity Shares outstanding during the period	**47,99,39,243**	47,99,39,243
Earning Per Share - Basic & Diluted (₹)	**1.60**	1.66
Face Value per share (₹)	**10**	10

32A. CONTINGENT LIABILITIES & COMMITMENTS

1. Contingent Liabilities:		
a) Claim against the Company not acknowledged as debts:-		
- Excise/ service tax/ sales tax matters in dispute/ under appeal	**166.00**	166.00
- Other Claims	**Not ascertainable**	Not ascertainable
- Income Tax Matters	**-**	0.04
-GST Matters	**13.05**	-
- Disputes relating to Labour matters	**Not ascertainable**	Not ascertainable
TOTAL	**179.05**	166.04

A) FAI & Ors Vs Union of India & Ors (WP (C) of 1800/2015)

The matter pertains to Interest on delayed payment of subsidy to KFL and other Fertilizer Companies by DoF. The total amount of subsidy outstanding till 31.12.2014 was ₹ 913.81 crore on which interest @ 10.40 % comes out to be ₹ 74.91 crore. The Court vide its order dated 09.01.2024 has dimissed the Petition filed by FAI on behalf of Fertilizer Companies. Against the judgement, a Letter Patent Appeal (LPA) was filed on 14/02/2024, which was admitted. The counter affidavit has been filed by DoF. The appellant had filed its rejoinder to the counter affidavit. The Counsel for Union of India is examining the rejoinder affidavit.

B) FAI & Ors Vs Union of India & Ors (WP (C) of 1861/2013)

The matter pertains to Fertilizer Bond wherein all the Fertilizer Companies has suffered loss on two tranches of buy-back of bonds. 50% of the loss has been made good and balance 50% is due.

32B. CONTINGENT ASSETS

The matter pertains to Reimbursement of Additional Cost due to Non-recognised Input Taxation (ACTN). KFL seeks reimbursement of ACTN under NPS-III for the period spanning between 01.10.2006 to 31.03.2011. The Hon'ble High Court in WP(C) No. 3411/2015 vide its order dated 05.11.2015 directed DoF to comply its order. The DoF vide its order dated 20.11.2015 rejected the claim of Fertilizer Companies and therefore this petition is filed to challenge the order of DoF. FAI Counsel stand that decision of the respondent not to reimburse additional taxes is per se, discriminatory, as similar tax (purchase tax) levied on natural gas has been reimbursed to one of the Fertilizer Company. FAI also submitted that respondent had not replied to this aspect in their reply. The pleadings were completed on 15/05/2024.

2. Capital Commitments: (₹ in Lakh)

Particulars	March 31, 2025	March 31, 2024
Estimated Amount of Contracts remaining to be executed on capital account (Net of advances)	**4,213.97**	10,680.55

3. Others Commitments:

The Company has issued an undertaking of ₹ 11,184.00 lakh to Department of Fertilizers, Ministry of Chemicals and Fertilizers, Government of India (GOI) in respect of pending dispute of GOI with Oswal Chemicals & Fertilizers Limited regarding subsidy of ₹ 225.00 lakh on Urea and payment of interest of ₹ 10,959.00 lakh by Oswal Chemicals & Fertilizer Limited. An Escrow Account under joint operation of the Company and Oswal Chemicals & Fertilizers Limited has been opened for the purpose of meeting the claim of the Department of Fertilizers. The balance in said escrow account adequately covers the amount of undertaking.

33. EMPLOYEE BENEFITS

a) Defined Contribution Plans:-

The Company has recognised an expense of ₹587.98 lakh (Previous Year ₹551.09 lakh) towards the defined contribution towards Employees Provident Fund & Employee Pension Scheme administered by Government of India.

b) Defined benefits plans:-

General Descriptions for Defined Benefit Plans

i) Gratuity

Each employee rendering continuous service of 5 years or more is entitled to receive gratuity amount equal to 15/26 of the monthly emoluments for every completed year of service.

ii) Death Benefit Scheme

Death Benefit Scheme was formulated & implemented from 01.04.2017 in order to provide monetary support to the family of a deceased employee who died while in service. Under the scheme, in case of unfortunate death of a regular employee, all regular employees of the Company will contribute 1.5 day basic pay for the cause and Company will also making equal matching contribution which is payable to legal nominee of the deceased employee.

c) Other Long Term Benefits-Leave Encashment:-

Each employee is entitled to get 30 earned leaves for each completed year of service. Encashment of earned leaves is allowed during service subject to maximum accumulation of 300 days including sick leaves. In addition, each employee is entitled to get 12 Sick leaves during the year. The accumulation of sick leaves is permitted for encashment only at the time of retirement.

The summarized position of various defined benefit plans & other long term benefits recognized in Statement of Profit & Loss, Other Comprehensive Income & Balance Sheet are as under:

(₹ in Lakh)

	Particulars	Year ended March 31, 2025			Year ended March 31, 2024		
		Gratuity	Long term Compen-sated Absences	Death Benefit Scheme	Gratuity	Long term Compen-sated Absences	Death Benefit Scheme
		Non-Funded	Non-Funded	Non-Funded	Non-Funded	Non-Funded	Non-Funded
I	**Change in present value of obligation during the year**						
	Present value of obligation at the beginning of the year	**3,711.59**	**3,127.68**	**254.94**	3,462.67	3,042.02	278.68
	Add- Amount Recognised in Statement of Profit and Loss:						
	- Current Service Cost	**166.37**	**243.41**	**-**	159.01	239.71	-
	- Interest Cost	**243.58**	**196.41**	**-**	236.80	198.29	-
	- Past Service Cost	**-**	**-**	**-**	-	-	-
	- Actuarial losses/(gains)	**-**	**413.89**	**30.96**	-	208.26	8.93
	Add- Amount Recognised in Other Comprehensive Income:						
	Actuarial losses/(gains)	**352.84**	**-**	**-**	182.35	-	-
	Less:						
	Benefits Paid	**-433.69**	**-619.63**	**-16.25**	-329.24	-560.60	-32.67
	Present Value of obligation as at year end	**4,040.69**	**3,361.76**	**269.65**	3,711.59	3,127.68	254.94

(₹ in Lakh)

	Particulars	Year ended March 31, 2025			Year ended March 31, 2024		
		Gratuity	Long term Compen-sated Absences	Death Benefit Scheme	Gratuity	Long term Compen-sated Absences	Death Benefit Scheme
		Non-Funded	Non-Funded	Non-Funded	Non-Funded	Non-Funded	Non-Funded
II	**Reconciliation of Present value of Defined Benefit Obligation & Other Long Term Benefits**						
1	Present Value of obligation as at year-end	**4,040.69**	**3,361.76**	**269.65**	3,711.59	3,127.68	254.94
2	Funded status {Surplus/(Deficit)}	**-4,040.69**	**-3,361.76**	**-269.65**	-3,711.59	-3,127.68	-254.94
	Net Asset/(Liability)	**-4,040.69**	**-3,361.76**	**-269.65**	-3,711.59	-3,127.68	-254.94
III	**Expenses recognised in the Statement of Profit and Loss**						
1	Current Service Cost	**166.37**	**243.41**	**-**	159.01	239.71	-
2	Interest Cost	**243.58**	**196.41**	**-**	236.80	198.29	-
3	Past service Cost	**-**	**-**	**-**	-	-	-
4	Actuarial losses/(gains)	**-**	**413.89**	**30.96**	-	208.26	8.93
	Total Expense	**409.95**	**853.71**	**30.96**	395.81	646.26	8.93
IV	**Expenses recognised in the Statement of Other Comprehensive Income**						
1	Net Actuarial (Gain)/Loss	**352.84**	**-**	**-**	182.35	-	-
	Total Expense	**352.84**	**-**	**-**	182.35	-	-
V	**Bifurcation of Defined Benefit Obligation & Other Long Term Benefits at the end of the year**						
1	Current Liability	**256.62**	**363.91**	**29.40**	301.00	387.88	28.30
2	Non-Current Liability	**3,784.07**	**2,997.85**	**240.26**	3,410.59	2,739.81	226.64
	Total	**4,040.69**	**3,361.76**	**269.65**	3,711.59	3,127.69	254.94
VI	**Actuarial Assumptions**						
1	Discount Rate	**6.59%**	**6.59%**	**6.59%**	6.97%	6.97%	6.97%
2	Mortality Table	**IALM (2012-14)**	**IALM (2012-14)**	**IALM (2012-14)**	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)
3	Salary Escalation	**4.50%**	**4.50%**	**4.50%**	4.50%	4.50%	4.50%

VII Sensitivity Analysis (₹ in Lakh)

Particulars	Year ended March 31, 2025 Increase	Year ended March 31, 2025 Decrease	Year ended March 31, 2024 Increase	Year ended March 31, 2024 Decrease
Gratuity				
Discount rate (1% movement)	**(227.94)**	**(254.34)**	235.02	210.93
Future salary growth (1% movement)	**256.83**	**234.12**	238.23	217.40
Attrition Rate (25% movement)	**16.43**	**17.58**	17.65	18.88
Long term Compensated Absences				
Discount rate (1% movement)	**(185.46)**	**(208.33)**	(2,275.56)	2,367.59
Future salary growth (1% movement)	**258.14**	**233.15**	(2,263.62)	2,379.01
Attrition Rate (25% movement)	**1.18**	**1.29**	(2,324.96)	2,323.35
Death Benefit Scheme				
Discount rate (1% movement)	**(21.76)**	**(25.77)**	23.03	19.54
Future salary growth (1% movement)	**30.00**	**25.65**	27.08	23.28
Attrition Rate (25% movement)	**(15.67)**	**(17.74)**	15.79	13.97

VIII Maturity Profile of Define plan & long term Benefit (₹ in Lakh)

	31st March, 2025			31st March, 2024		
	Gratuity	Long term Compensated Absences	Death Benefit Scheme	Gratuity	Long term Compensated Absences	Death Benefit Scheme
	Non-Funded	Non-Funded	Non-Funded	Non-Funded	Non-Funded	Non-Funded
Time Period (in years)						
Upto 1	**256.62**	**363.91**	**29.40**	301.00	100.39	28.30
2-5	**1,909.48**	**1,585.34**	**105.16**	1,754.13	372.09	102.77
6-10	**2,502.07**	**1,783.08**	**91.82**	2,173.31	434.64	98.32
11-15	**743.14**	**606.01**	**69.89**	900.95	164.83	65.20
Above 15	**1,085.03**	**1,090.51**	**284.15**	1,038.92	246.66	264.43
TOTAL	**6,496.34**	**5,428.85**	**580.42**	6,168.31	1,318.61	559.02

34. SEGMENT INFORMATION

The Company is operating under a single segment namely, manufacturing of Urea.

During the year, the Company commenced operations in Ammonium Bi-Carbonate. However, based on an evaluation under Ind AS 108 – Operating Segments, the operations do not meet the prescribed quantitative thresholds to qualify as a separate reportable segment. Accordingly, the financial results, assets, and liabilities relating to Ammonium Bi-Carbonate have been included within the existing Fertilizer segment for the purpose of segment reporting.

35. RELATED PARTY DISCLOSURES

Related party disclosure, as required by Ind AS 24, is as below:

(a)	**List of Related Parties**	
(i)	**Holding Enterprise:**	
	Krishak Bharati Cooperative Limited	
(ii)	**Joint Venture of Associate Company of Holding Enterprise:**	
	Anya Polytech and Fertilisers Limited	
(iii)	**Directors and Key Managerial Personnel (KMP):**	
	Dr. Chandrapal Singh Yadav	Non-Executive Director and Chairman
	Mr. Sudhankar Chowdary Vallabhaneni	Non-Executive Director
	Mr. M.R. Sharma	Non-Executive Director
	Mr. Sundar Singh Yadav	Non-Executive Director
	Dr. Bindiya Bansal	Non-Executive Director
	Mr. Raman Govind Rajan	Non-Executive Director
	Mr. R.K. Chopra	Managing Director
	Mr. M.C. Bansal	Chief Financial Officer
	Mr. V.K. Singh (upto 31.12.2024)	Vice President (Works)
	Mr. Vijay Bangar (w.e.f. 10.02.2025)	Vice President (Works)
	Mr. Bipin C. Phuloria	Company Secretary

(b) The following transactions were carried out with related parties: **(₹ in Lakh)**

Particulars	31.03.2025				31.03.2024			
	(a)(i)	(a)(ii)	(a)(iii)	Total	(a)(i)	(a)(ii)	(a)(iii)	Total
Sale of Goods	**1,149.59**	**261.63**	**-**	**1,411.22**	1,573.64	15.93	-	1,589.56
Sale of Electricity & others	**-**	**249.23**	**-**	**249.23**	-	326.55	-	326.55
Services charges paid/ payable	**1,941.27**	**-**	**-**	**1,941.27**	1,517.06	-	-	1,517.06
Purchase of Bags	**-**	**2,866.37**	**-**	**2,866.37**	-	2,697.85	-	2,697.85
Amount paid/payable for Rent, Electricity & Other Services	**55.04**	**-**	**-**	**55.04**	51.69	-	-	51.69
Sitting Fees	**-**	**-**	**20.80**	**20.80**	-	-	22.00	22.00
Dividend	**1,439.82**	**-**	**-**	**1,439.82**	2,879.64	-	-	2,879.64
Managerial Remuneration (KMP)	**-**	**-**	**318.89**	**318.89**	-	-	294.83	294.83

(c) Closing Balances of related parties **(₹ in Lakh)**

Particulars	31.03.2025				31.03.2024			
	(a)(i)	(a)(ii)	(a)(iii)	Total	(a)(i)	(a)(ii)	(a)(iii)	Total
Amount payable - For Goods & Services	**486.52**	**109.98**	**-**	**596.50**	461.47	43.28	-	504.75
Other Payables/Advances	**-**	**8.86**	**-**	**8.86**	3.74	0.48	-	4.22
Other Receivables	**1.40**	**-**	**-**	**1.40**	-	-	-	-
Amount Recoverable (Security deposit)	**2.66**	**-**	**-**	**2.66**	2.66	-	-	2.66
Trade Receivable	**63.40**	**-**	**-**	**63.40**	28.58	16.12	-	44.70

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. Outstanding balances at the year end are unsecured.

Note for Managerial Remuneration (₹ in Lakh)

Particulars	March 31, 2025	March 31, 2024
Short Term Employee Benefits	**311.14**	288.93
Post Employment Employee Benefits	**7.75**	5.90
Total	**318.89**	294.83

As the liability for Post Employee Benefits & Other Long Term Employee Benefits are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above as the same is not ascertainable.

36. FINANCIAL INSTRUMENTS

Financial instruments by category

The carrying value and fair value of financial instruments by categories other than those with carrying amounts that are reasonable approximations of fair values as of March 31, 2025 were as follows:

(₹ in Lakh)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments					
-Equity	-	-	0.25	0.25	0.25
Total	**-**	**-**	**0.25**	**0.25**	**0.25**

The carrying value and fair value of financial instruments by categories other than those with carrying amounts that are reasonable approximations of fair values as of March 31, 2024 were as follows:

(₹ in Lakh)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments					
-Equity	-	-	0.25	0.25	0.25
Total	**-**	**-**	**0.25**	**0.25**	**0.25**

Notes:

1) The management assessed that Fair Value of Cash & Cash Equivalents, Other Bank Balances, Trade Receivables, Other Current Financial Assets, Trade Payables, Short Term Borrowings, Long Term Floating Rate Loans and Other Current Financial Liabilities approximate to their carrying amounts.

2) 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.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2025:

(₹ in Lakh)

Particulars	Carrying Cost As at March 31, 2025	Fair Value Level 1	Fair Value Level 2	Fair Value Level 3
Assets				
Investments in equity instruments	0.25	-	0.25	-
TOTAL	**0.25**	**-**	0.25	**-**

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2024:

(₹ in Lakh)

Particulars	Carrying Cost As at March 31, 2024	Fair Value Level 1	Fair Value Level 2	Fair Value Level 3
Assets				
Investments in equity instruments	0.25	-	0.25	-
TOTAL	**0.25**	**-**	0.25	**-**

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

1 Financial risk factors

The Company's activities expose it to a variety of financial risks, market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is Interest Rate Risk.

The Company’s principal financial liabilities comprise borrowings, trade and other payables, security deposits, employee 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, Other Financial Assets and cash/ cash equivalents that derive directly from its operations. The Company also holds investments and enters into derivative transactions.

Company is exposed to a number of different financial risks arising from natural business exposures as well as its use of financial instruments including market risk: relating to interest rate, foreign currency exchange rates. Senior management oversees the management of these risks with appropriate financial risk governance framework for the Company.

i. Market risk

Market risk is the risk where the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. 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. This is based on the financial assets and financial liabilities held as at March 31, 2025 and March 31, 2024.

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. The Company uses derivative financial instruments such as foreign exchange forward contracts depending upon the underlying contract and risk management strategy to manage its exposures to foreign exchange fluctuations and interest rate.

a) Foreign Currency Risk and sensitivity

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 Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and Borrowings.

The Company manages its foreign currency risk through hedging. The hedging is mostly undertaken through forward contracts.

The following table analyzes unhedged foreign currency risk from financial instruments as of March 31, 2025 (this represents procurement of material/ services at plant)

(₹ in Lakh)

Particulars	₹ Equivalent of USD	₹ Equivalent of Euro	Total
Trade payables	(1.48)	(49.00)	(50.48)
Interest accrued on Short Term Borrowing	-	(2.01)	(2.01)
Net assets / (liabilities)	**(1.48)**	**(51.01)**	**(52.49)**
The following table analyzes foreign currency risk from financial instruments as of March 31, 2024:			
Trade payables	0.00	0.00	0.00
Net assets / (liabilities)	**0.00**	**0.00**	**0.00**

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

(₹ in Lakh)

Particulars	Impact on Profit & Loss Account	
	March 31, 2025	March 31, 2024
USD Sensitivity absolute impact	**0.07**	0.00
Euro Sensitivity absolute impact	**2.55**	0.00

Note: The Sensitivity has been based taking 5% variation in the value of Foreign Currency.

b) Exposure to Interest Risk

The Company is also exposed to interest rate risk from the possibility that changes in interest rates will affect future cash flows of a financial instrument, principally financial debt. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term and short term debt obligations with floating interest rates.

Interest Rate Risk Exposure (₹ in Lakh)

Particulars	March 31, 2025	March 31, 2024
Borrowings (Floating Rates)	**78,499.94**	67,641.77

Sensitivity (₹ in Lakh)

Particulars	Impact on Profit & Loss Account	
	March 31, 2025	March 31, 2024
Interest Rate Increase by 0.50%	**392.50**	338.21
Interest Rate decrease by 0.50%	**-392.50**	-338.21

c) Derivative financial instruments

i) The Company hold derivative financial instruments to mitigate foreign currency risk on repayment of FCNR Loans and Interest Rate Swaps to mitigate interest rate risk for non-convertible debentures. The mark-to-market gain/ loss on the interest rate swaps have been accounted for and net loss of ₹552.30 lakh (P.Y. ₹2.11 lakh) is considered in books of accounts.

ii) Credit risk

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive analysis and outstanding customer receivables are regularly monitored.

Ageing Analysis of Trade Receivables (₹ in Lakh)

Particulars	As on 31st March, 2025		As on 31st March, 2024	
	Upto Six Months	More than Six Months	Upto Six Months	More than Six Months
Secured	**360.39**	**-**	455.86	-
Unsecured considered good	**65,052.58**	**1,409.72**	71,203.03	4,301.19
Credit Impaired	**-**	**-**	-	-
Less: Allowance for Credit Impaired Trade Receivables	**-0.04**	**-0.03**	-	-22.75
Total	**65,412.94**	**1,409.69**	71,658.89	4,278.44

iii) Liquidity risk

Company monitors its risk of a shortage of funds diligently. The Company seeks to manage its liquidity requirement by maintaining access to both short term and long term debts from banks, money market and debt market. Company has committed credit facilities from banks. Company's objective is to maintain a balance between continuity of funding and flexibility through the use of Bank overdrafts, Cash Credits, Working Capital Term Loans, Commercial papers, Debentures etc. The Company has access to a sufficient variety of sources of funding.

Approximately 99.59% of the Company's debt will mature in less than one year at 31st March 2025 (31st March 2024: 99.28%) based on the carrying value of borrowings reflected in the financial statements. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2025:

(₹ in Lakh)

Particulars	Less than 1 year	1-2 years	2-4 years	4-7 years	Total
Borrowings & Lease Liabilities	78,499.94	-	-	564.25	79,064.19
Trade payables	49,668.41	-	-	-	49,668.41
Other financial liabilities	8,210.29	-	-	-	8,210.29
Total	**1,36,378.64**	**0.00**	**0.00**	**564.25**	**1,36,942.89**

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2024:

(₹ in Lakh)

Particulars	Less than 1 year	1-2 years	2-4 years	4-7 years	Total
Borrowings & Lease Liabilities	90,762.35	833.33	-	236.38	91,832.07
Trade payables	47,381.05	-	-	-	47,381.05
Other financial liabilities	8,414.35	-	-	-	8,414.35
Total	**1,46,557.75**	**833.33**	**0.00**	**236.38**	**1,47,627.47**

38. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is Long Term Borrowings and Short Term Borrowings divided by total Equity plus total borrowings.

(₹ in Lakh)

Particulars	March 31, 2025	March 31, 2024
Long Term Borrowings (Including Current Maturities of LTD + Interest Accrued)	-	26,149.59
Short Term Borrowings (Including Interest Accrued)	**78,680.66**	65,975.13
Equity	**83,824.91**	77,868.23
Capital and Long Term Borrowings	**1,62,505.57**	1,69,992.95
Gearing Ratio [Debt/(Debt+Equity)]	**0.48**	0.54

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the period ended 31st March 2025 and 31st March 2024.

39. DISCLOSURE AS PER IND AS 116 'LEASES'

A) Land

The Company acquires land on leasehold basis from the government authorities which can be renewed further based on mutually agreed terms and conditions. The leases are non cancellable. These leases are capitalised at the present value of the total minimum lease payments to be paid over the lease term. Future lease rentals are recognised as 'Lease liablities' at their present values. The Right-of-use land is amortised considering the signifcant accounting policies of the Company.

(i) The following are the carrying amounts of lease liabilities recognised and the movements during the period:

(₹ in Lakh)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening Balance	**236.38**	234.67
- Additions in lease liabilities	**323.30**	-
- Interest cost during the year	**20.36**	17.51
- Payment of lease liabilities	**15.80**	15.80
Closing Balance	**564.25**	236.38
Current	**-**	-
Non Current	**564.25**	236.38

(ii) Maturity Analysis of the lease liabilities: (₹ in Lakh)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Contractual undiscounted cash flows		
3 months or less	**15.80**	15.80
3-12 Months	**282.82**	-
1-2 Years	**18.90**	15.80
2-5 Years	**56.71**	47.40
More than 5 Years	**2,036.96**	1,279.68
Total	**2,411.19**	1,358.68

(iii) The following are the amounts recognised in the Statement of profit & loss: (₹ in Lakh)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation expense for right-of-use assets	**140.45**	135.15
Interest expense on lease liabilities	**20.36**	17.51
Expense relating to short-term leases	**-**	-

(iv) The following are the amounts disclosed in the cash flow statement: (₹ in Lakh)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Cash Outflow from leases	**15.80**	15.80

B) Other Leases (As Lessee)

The Company's significant leasing arrangements are in respect of operating lease of premises for the office of the Company. This leasing agreement is usually renewable on mutually agreed terms but is cancellable. These payments are shown as "Rent" in Note No. 29 of "Other Expenses".

C) Company as a Lessor

Disclosure of undiscounted lease receivables w.r.t. assets given on Operating lease as a lessor: **(₹ in Lakh)**

Particulars	**Year ended March 31, 2025**	**Year ended March 31, 2024**
On Demand	**33.94**	46.09

D) Corporate Social Responsibility (CSR) Expenses

The details of CSR expenses for the year are as under:- **(₹ in Lakh)**

Particulars		**Year ended March 31, 2025**	**Year ended March 31, 2024**
A.	Amount required to be spend during the year		
	i) Gross Amount (2% of average net profit as per provisions of Companies Act, 2013)	**289.77**	204.11
	ii) Surplus arising out of CSR projects	**-**	-
	iii) Set off available from previous year	**-**	11.62
	iv) Total CSR obligation of the year (i)+(ii)-(iii)	**289.77**	192.49
B.	Amount approved by the Board to be spent during the year	**289.77**	192.49
C.	Amount spent during the year on:		
	a.) Construction / acquit ion of any asset	**3.83**	-
	b.) On purpose other than (a) above	**6.70**	-
	Total	**10.53**	**-**
D.	Set off available for succeeding years	**-**	-
E.	Amount unspent during the year	**279.24**	192.49

Notes:

Amount of ₹ 118.23 Lakhs was spent during FY 24-25 out of the Unspent CSR amount of ₹ 192.49 lakhs pertaining to FY 23-24.

Break-up of the CSR expenses under major heads is as under: **(₹ in Lakh)**

Particulars		**Year ended March 31, 2025**	**Year ended March 31, 2024**
A.	Eradicating poverty, hunger and malnutrition, promoting health care which includes sanitation	**-**	-
B.	Education & Skill Development	**-**	-
C.	Rural Development	**3.83**	-
D.	Environment Sustainability	**5.00**	-
E.	Art & Culture	**1.70**	-

40. INCOME TAX

Reconciliation of Tax expense and the Accounting profit as per below: (₹ in Lakh)

S. No.	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
1.	**Accounting profit before tax from continuing operations**	**10,552.61**	12,679.64
2.	At the effective income tax rate of 25.17%	**2,656.09**	3,191.47
	Effects of:		
3.	Expenses that are not deductible in determining Taxable Profit	**-793.63**	-1,267.83
4.	Adjustment in respect of unabsorbed depreciation	**-1,993.71**	-2,189.14
5.	Deferred Tax	**2,892.08**	4,734.27
6.	Other Permanent Differences	**131.25**	265.50
7.	**Sub Total (Sr. No. 2+3+4+5+6)**	**2,892.08**	**4,734.27**
8 .	Adjustment in respect of current income tax of Previous Year	**-**	-
9.	**Income Tax Expense reported in the Statement of profit & loss (Sr.no. 7+8)**	**2,892.08**	4,734.27
10.	Effective income tax rate (in%) (Sr. No. 9/Sr. No.1)*100	**27.41**	37.34

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

41. OTHER NOTES

a. Balance of subsidy receivables includes certain amounts receivable from Government, recognized on estimated basis and are subject to confirmation.

b. The Company is eligible to receive subsidy from Fertilizer Industry Co-Ordination Committee (FICC) / Department of Fertilizers (DOF) on Urea at the rates notified from time to time. Subsidy is further adjusted for escalations/de-escalations in the cost of inputs and other costs, as estimated by the management based on the prescribed norms in line with known policy parameters. Accordingly, the subsidy adjusted on account of this escalations/de-escalations basis for the year amounts to ₹119.54 crore refundable to FICC/DOF (P.Y. ₹16.38 crore refundable). Upon introduction of Direct Benefit Transfer (DBT) schemes for all Fertilizer Companies, there is shift in procedure for generation of subsidy claims with respect to Price subsidy & disbursement thereon. As per the same, Company is entitled for generation of claims/receipt of subsidy on the basis of actual sale by the retailers on weekly basis through POS machines. Accordingly, as on 31.03.2025, quantity of 2.12 LMT of Urea having subsidy amounting ₹586.26 crore has been recognized in the current period, as such quantity has been sold to dealers but the payment of the same will become due under DBT on actual sale by the retailers through POS machines. (P.Y. quantity 2.64 LMT and subsidy ₹729.20 crore).

c. Claim Pending Settlement

During the year 2006-07, the Company had paid stamp duty of ₹190.80 crores on transfer/registration of Assets acquired from M/s. Oswal Chemicals & Fertilizers Limited vide sale agreement dated 31st March 2006. The Company had paid the amount of stamp duty as finalized by Additional District Magistrate (F&R), (ADM (F&R), Collector of Stamps, Shahjahanpur on total sale consideration of ₹1908 crores. The Company has filed an appeal before the Board of Revenue, Uttar Pradesh for refund of total Development Tax amounting to ₹38.16 crores paid at the rate of 2% in respect of all assets and stamp duty amounting to ₹19.54 crore paid on Leasehold Land, Site Development, intangible Assets/benefits and Current Assets, challenging the levy of the same. Upon dismissal of appeal by Board of Revenue, U.P., the Company has filed a writ petition before the Hon'ble High Court, Allahabad challenging the order passed by Board of Revenue.

Hon'ble High Court has allowed the writ petition in part and the orders of ADM (F&R), Shahjahanpur and Chief Controlling Revenue Authority have been set aside. The matter has been remanded back to ADM (F&R), Shahjahanpur to decide the case afresh in the light of the observations made in the order of the Hon'ble High Court after giving opportunity of hearing to the Company.

Pending final outcome, the sum of ₹57.70 crore paid by the Company (based on actual computation) has been disclosed as "Stamp Duty paid under protest" under the head "Other Current Assets" of the financial Statement.

d. Information in respect of Micro, Small and Medium Enterprises as required by The Micro, Small and Medium Enterprises Development Act, 2006 as at :

(₹ in Lakh)

Sr. No.	Particulars	2024-25	2023-24
1	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
	(i) Principal Amount Due	**225.84**	419.63
	(ii) Interest due thereon	**Nil**	Nil
2	The amount of interest paid by the buyer in terms of section 18, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year as announced by any dispute resolution council/authority	**Nil**	Nil
3	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 this Act:		
	(i) Payment made to supplier (Other than interest) beyond the appointed day during the year	**Nil**	Nil
	(ii) Interest paid to supplier on principal amount paid beyond the appointed day during the year	**Nil**	Nil
	(iii) Interest due and payable to supplier on principal amount paid beyond the appointed day during the year	**Nil**	Nil
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	**Nil**	Nil
5	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 deductible expenditure under section 23.	**Nil**	Nil

The above information has been provided to the extent such parties have been identified on the basis of information available with the Company.

e. Balances of some of the Contractors/ Customers/ Suppliers/ Receivables/ Payable and deposits with others are subject to confirmation/ reconciliation and consequential adjustments, if any, which in the opinion of management would not be material.

f. All the Financial Assets and Liabilities are carried at amortized cost except for following:

1) Derivative Instruments (Forward Contract)/ Interest Rate Swaps at Fair Value through Profit or Loss Account.

g. Events occurring after the balance sheet date:

For FY 24-25, the Board of Directors have recommended a final dividend of ₹0.30 per equity share (P.Y. ₹0.30 per equity share) which is subject to the approval by shareholders of the Company.

h. Additional disclosures as required under schedule III of the Companies Act 2013:

1. Title deeds of all immovable properties are held in name of the Company as at 31st March 2025.

2. The Company does not hold any Investment Property in its books of accounts, so fair valuation of investment property is not applicable.

3. The Company has not revalued any of its Property, Plant & Equipment in the current year & last year.

4. The Company has not revalued any of its Intangible assets in the current year & last year.

5. The company has not granted any loans or advances to promoters, directors, KMP's and the related parties that are repayable on demand or without specifying any terms or period of repayment.

6. Disclosures related to Capital Work-in-Progress

(i) Capital-Work-in Progress (CWIP) - Ageing Schedule as at 31st March 2025:

(₹ in lakh)

Capital-Work-in Progress (CWIP)	**Capital-Work-inProgress (CWIP) - Ageing Schedule as at 31st March 2025**				**Total**
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects under Development	6,686.93	481.25	65.03	3.19	7,236.40

(ii) Capital-Work-in Progress (CWIP) - Ageing Schedule as at 31st March 2024:

(₹ in lakh)

Capital-Work-in Progress (CWIP)	**Capital-Work-inProgress (CWIP) - Ageing Schedule as at 31st March 2024**				**Total**
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects under Development	5,076.55	-	-	3,925.01	9,001.56

(iii) Capital-Work-in Progress (CWIP) - Completion schedule for projects overdue or cost overruns as compared to original plan as on 31st March 2025:

(₹ in lakh)

Capital-Work-in Progress (CWIP)	**To be completed in**				**Total**
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	Upto 31st March, 2026	1st April 2026 to 31st March, 2027	1st April, 2027 to 31st March, 2028	Beyond 1st April, 2028	
Projects under Development	7,173.34	-	63.06	-	7,236.40

(iv) Capital-Work-in Progress (CWIP) - Completion schedule for projects overdue or cost overruns as compared to original plan as on 31st March 2024:

(₹ in lakh)

Capital-Work-in Progress (CWIP)	**To be completed in**				**Total**
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	Upto 31st March, 2025	1st April, 2025 to 31st March, 2026	1st April, 2026 to 31st March, 2027	Beyond 1st April, 2027	
Projects under Development	2,189.60	6,811.96	-	-	9,001.56

7. Company is not having any transaction with the Companies struck off under the Section 248 of the Companies Act 2013 or Section 560 of the Companies Act 1956.

8. There are no charges or satisfaction which are to be registered with ROC beyond statutory period.

9. There is no material difference in the Quarterly returns and statement of current assets filed by the Company with bankers with regard to working capital limit.

10. Ratios as required under schedule III of Companies Act:

Ratio	Numerator	Denominator	FY 2024-25	FY 2023-24	% Variance	Reason for variance (where variation is above 25%)
Current ratio	Current Assets	Current Liabilities	0.75	0.74	1.35%	-
Debt-equity ratio	Paid-up debt capital (Long term borrowings+Lease Liability+Short term borrowings)	Shareholder's Equity (Total Equity)	0.94	1.19	-21.01%	-
Debt service coverage ratio	Profit After Tax + Interest + Depreciation + Loss/(Gain) on Sale of Property Plant & Equipment	Finance Costs + lease payments+Scheduled principal repayments of long term borrowings	2.89	0.63	358.73%	Reduced scheduled principal repayments of Long Term Borrowings
Return on equity ratio	Profit for the year	Average Shareholder's Equity	9.47%	10.54%	-10.15%	-
Inventory turnover ratio	Revenue from operations	Average Inventory	31.95	30.22	5.72%	-
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	5.66	7.14	-20.73%	-
Trade payables turnover ratio	Cost of material consumed + Other Expenses (excluding non-cash item) +Change in inventories of finished goods, stock-in-trade and WIP	Closing Trade Payables	7.42	7.50	-1.07%	-
Net capital turnover ratio	Revenue from operations	Working Capital+current maturities of long term borrowings	-11.70	-28.17	58.47%	Increase in revenue & decrease in current maturities of Long Term Borrowings
Net profit ratio	Profit for the year	Revenue from operations	1.89%	2.06%	-8.25%	-
Return on capital employed	Earnings before interest and taxes	Capital Employed	17.29%	19.60%	-11.79%	-

11. Trade Receivable Ageing

(a) Trade Receivables ageing schedule as at 31st March 2025: **(₹ in lakh)**

Particulars	Unbilled	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								
Subsidy Receivable	32,122.23	-	31,818.85	-	-	-	-	63,941.08
Others	-	841.69	630.22	2.21	0.01	-	-	1,474.13
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good								
Subsidy Receivable	-	-	-	-	-	-	1,407.49	1,407.49
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Prov for Expected Credit Loss	-	-	-0.04	-0.02	-0.01	-	-	-0.07
Total	**32,122.23**	**841.69**	**32,449.03**	**2.19**	**-**	**-**	**1,407.49**	**66,822.63**

(b) Trade Payables ageing schedule as at 31st March 2024: **(₹ in lakh)**

Particulars	Unbilled	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								
Subsidy Receivable	65,154.41	-	5,077.84	-	-	-	2,887.20	73,119.45
Others	-	892.75	382.03	8.54	5.99	0.49	-	1,289.80
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good								
Subsidy Receivable	143.34	-	-	-	-	-	1,407.49	1,550.83
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Prov for Expected Credit Loss	-	-	-	-	-	-	-22.75	-22.75
Total	**65,297.75**	**892.75**	**5,459.87**	**8.54**	**5.99**	**0.49**	**4,271.94**	**75,937.33**

12. Trade Payables Ageing

(a) Trade Receivables ageing schedule as at 31st March 2025: **(₹ in lakh)**

Particulars	Unbilled Dues	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	
(i) MSME	-	225.84	-	-	-	-	225.84
(ii) Others	794.82	48,536.32	111.43	-	-	-	49,442.57
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	**794.82**	**48,762.16**	**111.43**	**-**	**-**	**-**	**49,668.41**

(b) Trade Payables ageing schedule as at 31st March 2024: **(₹ in lakh)**

Particulars	Unbilled Dues	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	
(i) MSME	-	419.63	-	-	-	-	**419.63**
(ii) Others	663.42	45,911.44	386.56	-	-	-	**46,961.42**
(iii) Disputed dues – MSME	-	-	-	-	-	-	**-**
(iv) Disputed dues – Others	-	-	-	-	-	-	**-**
Total	**663.42**	**46,331.07**	**386.56**	**-**	**-**	**-**	**47,381.05**

j. Previous year's figures have been regrouped/ rearranged wherever considered necessary for comparative purpose.

FOR RAGHU NATH RAI & CO.
Chartered Accountants
[Firm Reg. No. 000451 N]

FOR AND ON BEHALF OF BOARD OF DIRECTORS

PRANAV GOYAL
Partner
Membership No.:531988
UDIN: 25531988BMLCLP1302

M.R. SHARMA
Director
DIN: 08174739

R. K. CHOPRA
Managing Director
DIN: 06969911

Place : Noida
Date : 15.05.2025

M. C. BANSAL
Chief Financial Officer

BIPIN C. PHULORIA
Company Secretary

Notes