62nd ANNUAL REPORT 2023-2024

GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED ®

PAVING THE WAY

FOR PROGRESS
WITH SUSTAINABILITY

Synergy with existing Fertilizer business by new capacity addition

GSFC is producing Ammonium Sulphate (AS) from their three Plants at Vadodara unit, having actual production capacity 1450 MTPD (4,88,000 MTPA).

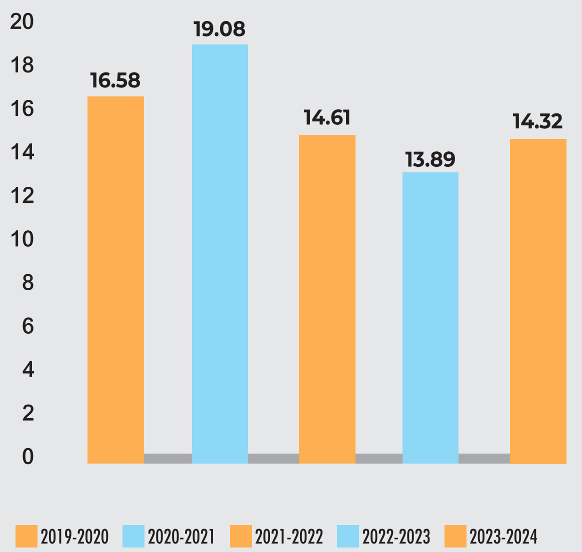
Looking to the growing demand of AS and its synergy with existing business of the Company, GSFC decided to install a new 400 MTPD (1,32,000 MTPA) Ammonium Sulphate (AS-IV) plant at Vadodara Unit. Based on experience of operating AS plants over the years, GSFC carried out the Basic Engineering, Detailed Engineering and Procurement activities internally. The new AS-IV plant incorporates a combination of technologies from the existing plants and improvements made over the years to enhance production and energy efficiency.

With efforts and support of Cross-functional team, the plant has been commissioned successfully within the allocated budget.

Ammonium Sulphate IV

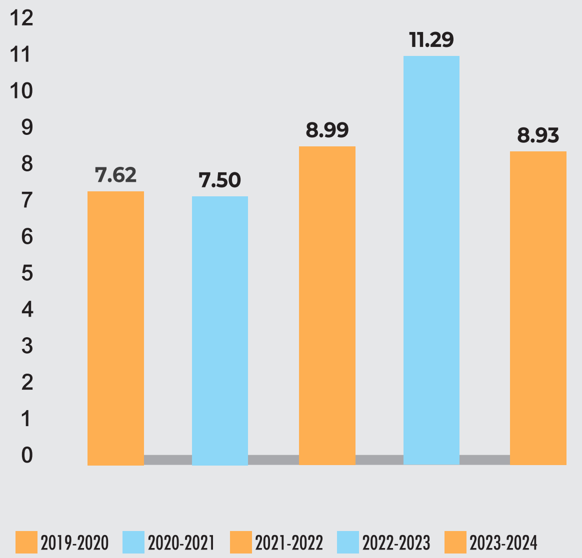
Performance Highlights

Production (Fertilizer) (in Lakh MTs)

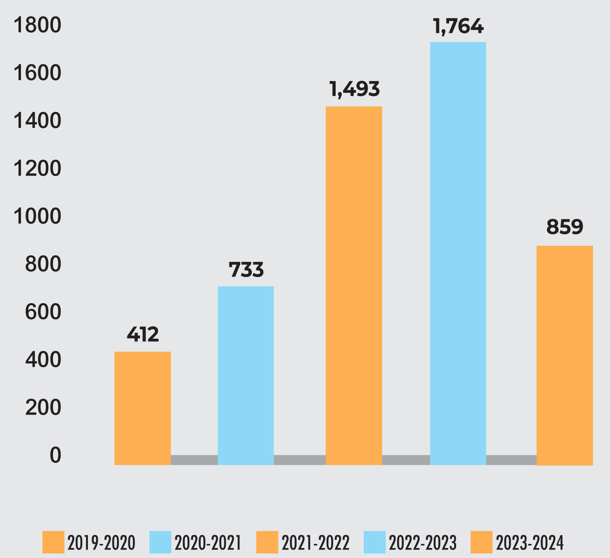


Production (Caprolactum) (in '000 MTs)

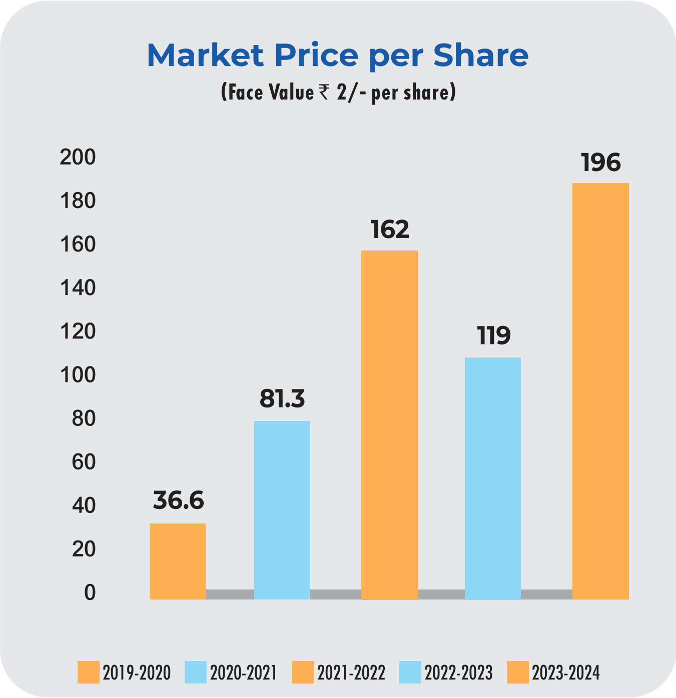
Gross Sales (in ₹ '000 crores)

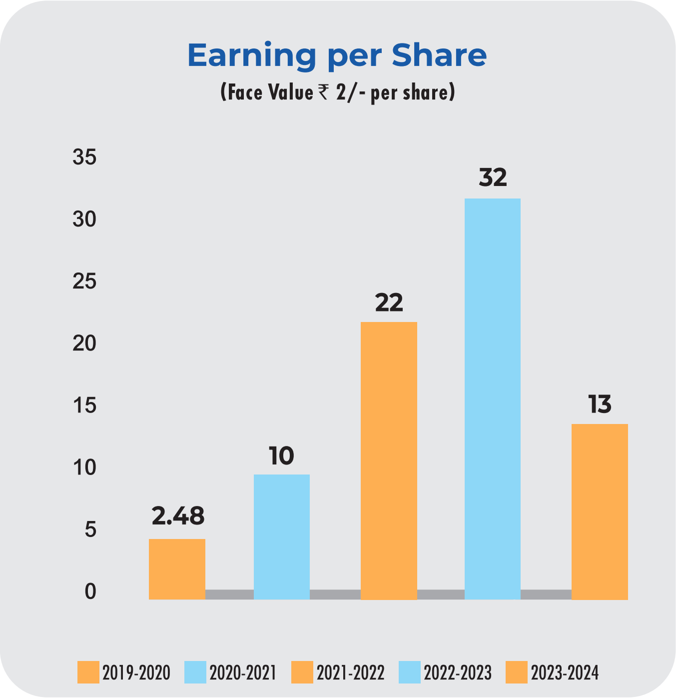


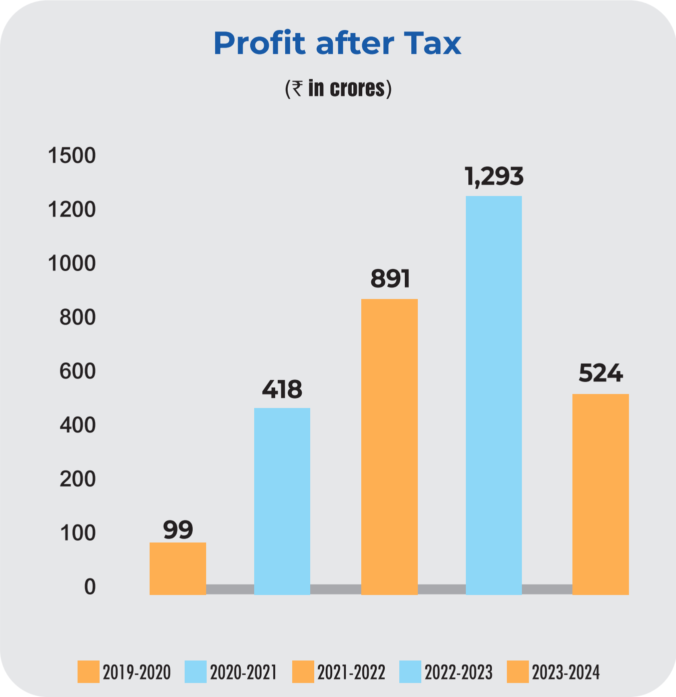
Operating Profits (in ₹ crores)

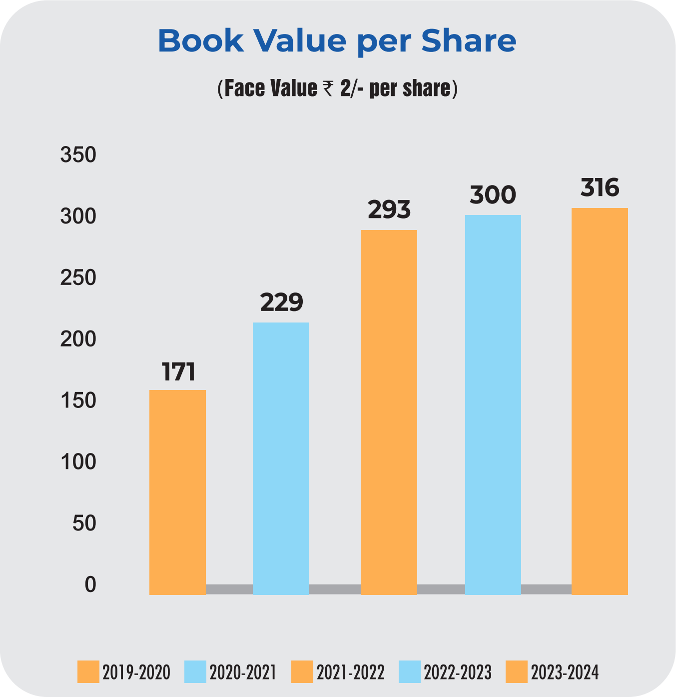


Performance Highlights









GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED

[Corporate Identity Number (CIN) : L99999GJ1962PLC001121]

62ND ANNUAL GENERAL MEETING

Date	:	24th September, 2024
Day	:	Tuesday
Time	:	03:00 p.m.

Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").

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REGISTERED OFFICE

Fertilizernagar - 391 750
District Vadodara, Gujarat, India
Phone : (0265) 2242451/651/751
Fax : (0265) 2240966/2240119
Email : ho@gsfcltd.com
Website : www.gsfclimited.com

REGISTRARS & SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.
Geetakunj, 1, Bhaktinagar Society,
Behind ABS Tower, Old Padra Road,
Vadodara - 390 015.
Tel No: +91 265-3566768
E-mail id: vadodara@linkintime.co.in

BOARD OF DIRECTORS *(As on 26-08-2024)*

SHRI RAJ KUMAR *Chairman*
PROF. RAVINDRA DHOLAKIA
SHRI TAPAN RAY
SMT. GAURI KUMAR
DR. SUDHIR KUMAR JAIN
SHRI S J HAIDER
SHRI KAMAL DAYANI *Managing Director*

EXECUTIVE DIRECTOR (FINANCE) & CHIEF FINANCIAL OFFICER

SHRI V D NANAVATY (upto 31-05-2024)

SR. VICE PRESIDENT (FINANCE & LEGAL) & CHIEF FINANCIAL OFFICER

SHRI S K BAJPAI (w.e.f. from 01-06-2024)

EXECUTIVE DIRECTOR

SHRI S V VARMA

SR. VICE PRESIDENTS

SHRI D V PATHAKJEE
SHRI R S ERANDE
SHRI K S BADLANI
SHRI S B PATEL
SHRI N B DALAL

COMPANY SECRETARY & VICE PRESIDENT (LEGAL)

SMT. NIDHI PILLAI

VICE PRESIDENT

DR. P B VAISHNAV

BANKERS

Bank of Baroda
State Bank of India
Axis Bank Ltd.
HDFC Bank Ltd.
The Hongkong and Shanghai Banking Corporation Ltd.

LEGAL ADVISORS AND ADVOCATES

Gandhi Law Associates, Advocates, Ahmedabad
Nanavati Associates, Advocates, Ahmedabad
Shardul Amarchand Mangaldas & Co., Mumbai
Kunan Naik Associates, Advocates, Ahmedabad
Jaideep B. Verma, Advocate, Vadodara
Anand Majmudar, Advocate, Vadodara

STATUTORY AUDITOR

M/s Parikh Mehta & Associates, Vadodara

COST AUDITOR

M/s Diwanji & Co., Vadodara

SECRETARIAL AUDITOR

Shri Niraj Trivedi, Vadodara

NOTICE

NOTICE is hereby given that the **Sixty Second Annual General Meeting** of the Members of the Gujarat State Fertilizers & Chemicals Limited will be held at 1500 hours Indian Standard Time (IST) on Tuesday, **24th September, 2024 through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")** to transact the following business:

Ordinary Business

1. To receive, consider and adopt the:

   a) Audited standalone financial statements of the Company for the financial year ended 31st March, 2024, together with the reports of the Board of Directors and Auditors thereon; and

   b) Audited consolidated financial statements of the Company for the financial year ended 31st March, 2024 together with report of the Auditors thereon.

2. To declare dividend on equity shares.

3. Appointment of M/s Parikh Mehta & Company, Chartered Accountants, Vadodara (Firm Registration Number 112832W) as Statutory Auditors of the Company and to fix their remuneration

   To appoint M/s Parikh Mehta & Company, Chartered Accountants as Statutory Auditors of the Company for a second term of one year commencing from the conclusion of 62nd Annual General Meeting and concluding on 63rd Annual General Meeting on such remuneration as may be mutually agreed by and between the Board of Directors of the Company and Auditors of the Company; and in this regard to consider and if thought fit, to pass, the following Resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force] and pursuant to the recommendations of the Finance-cum-Audit Committee and the Board of Directors of the Company, M/s Parikh Mehta & Company, Chartered Accountants, Vadodara (Firm Registration Number 112832W) be and are hereby re-appointed as the Statutory Auditors of the Company to hold office for a second term of 1 (one) year from conclusion of the 62nd Annual General Meeting until the conclusion of the 63rd Annual General Meeting of the Company, to be held for the financial year 2024-25, at such remuneration as may be decided by the Board of Directors (or any Committee thereof) in consultation with the Statutory Auditors.

   RESOLVED FURTHER THAT the Chief Financial Officer and the Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary and expedient to give effect to this resolution."

Special Business

4. Appointment of Shri S.J. Haider, IAS (DIN: 02879522) as Director of the Company.

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

   "**RESOLVED THAT** pursuant to Article 148 of the Articles of Association and the provisions of Section 161(1) of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Shri S J Haider, IAS (DIN: 02879522) who was appointed as an Additional Director by the Board of Directors of the Company w.e.f. 13th August, 2024, as recommended by the Nomination and Remuneration Committee and who holds office up to the conclusion of Sixty Second Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing from a Member pursuant to Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

5. Ratification of remuneration to Cost Auditor

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or re-enactment thereof, for the time being in force), and such other provisions as may be applicable, the Company hereby ratifies the remuneration of Rs. 4,40,000/- per annum plus applicable taxes (for Cost Audit and Special Cost audit under NBS scheme), certificate fees of Rs. 5,000/- per certificate plus applicable taxes and out of pocket expenses actually incurred by them during the course of audit subject to upper cap of Rs. 40,000/- (excluding Taxes) per annum, payable to M/s Dhananjay V Joshi & Associates, (Firm Registration No. 000030), Cost Accountant, Pune appointed by the Board of Directors of the Company, based on the recommendation of the Finance-cum-Audit Committee, as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending on 31st March, 2025.

By Order of the Board

Sd/-
Nidhi Pillai
Company Secretary &
Vice President (Legal)
Membership No. A15142

Place: Vadodara
Date: 28.08.2024

EXPLANATORY STATEMENT
PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 03

M/s Parikh Mehta & Associates, Chartered Accountants, Vadodara (Firm Registration Number 112832W) were appointed as statutory auditors of the Company, in the 60th Annual General Meeting ("AGM") held on 27th September, 2022, for a term of three consecutive years, to hold office from the conclusion of 60th AGM until the conclusion of the 62nd AGM of the Company. Pursuant to the provisions of Section 139 of the Companies Act, 2013 ("Act") read with the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, the Company can appoint an audit firm as statutory auditors for not more than 2 (two) terms of up to 5 (five) consecutive years each. The first term of the present Statutory Auditors is expiring on the conclusion of ensuing AGM i.e. 62nd AGM of the Company.

Based on the recommendation of the Finance-cum-Audit Committee, the Board of Directors at its meeting held on 21st May, 2024, approved the reappointment of M/s Parikh Mehta & Associates as the Statutory Auditors of the Company to hold office for a second term of one year from the conclusion of 62nd Annual General Meeting until the conclusion of the 63rd Annual General Meeting of the Company to be held for the financial year 2024-25.

M/s Parikh Mehta & Associates, Chartered Accountants have given their consent for the re-appointment. The Company has received a letter from M/s Parikh Mehta & Associates, Chartered Accountants, Vadodara (Firm Registration Number 112832W) wherein they have confirmed that their re-appointment if made, would be in accordance with the conditions prescribed under section 139 (2) of the Companies Act, 2013 and they are not disqualified for such reappointment within the meaning of Section 141 of the said Act.

Details as required under Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

- The fee proposed to be paid to M/s Parikh Mehta & Associates, Chartered Accountants towards statutory audit for the FY 2024-25 shall be Rs. 10.50 Lakhs plus applicable taxes and Out of Pocket Expenses, with the authority to the Board to make revisions as it may deem fit, based on the recommendation of the Finance-cum-Audit Committee of the Company.
- the Finance-cum-Audit Committee and the Board of Directors, while recommending the appointment of M/s Parikh Mehta & Associates, Chartered Accountants as Statutory Auditors of the Company have taken into consideration, among other things, evaluation of the past performance, experience and expertise of the firm and its partners and eligibility criteria prescribed in the Companies Act, 2013.

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

The Board of Directors recommend the ordinary resolution as set out at item no.3 of the Notice for approval of the Members.

ITEM NO. 04

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company through resolution passed by circulation on 17th August, 2024 has appointed Shri S J Haider, IAS (DIN: 02879522) as an Additional Director on the Board of the Company in the category of Non-Executive and Non-Independent Director, liable to retire by rotation. His appointment is with effect from 13th August, 2024 and he holds office as an Additional Director till the conclusion of ensuing 62nd Annual General Meeting (AGM) of the Company.

Further, pursuant to the provisions of Regulation 17(1C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company is required to obtain approval of shareholders for the appointment of a Director on the Board at the next general meeting or within a time period of 3 (three) months from the date of appointment, whichever is earlier.

The Company has received a notice under Section 160 of the Companies Act, 2013 from a member proposing candidature of Shri S J Haider, IAS (DIN: 02879522) for appointment as a Director on the Board of the Company.

Details of Shri S J Haider, IAS pursuant to the provisions of (i) Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India, are provided in the "Annexure - I" to this Notice of Annual General Meeting. This Statement may also be regarded as a disclosure under Regulation 36 (3) of the Listing Regulations.

The Nomination and Remuneration Committee and the Board are of the opinion that appointment of Shri S J Haider, IAS on the Board will be in the best interest of the Company. He is qualified to be appointed as a Director in terms of Section 164 of the Act and has given consent to act as a Director. The Company has also received declaration from him, confirming that he is not debarred from holding the office of a Director by virtue of any order passed by the Securities and Exchange Board of India or any other such authority.

Shri S J Haider, IAS would not be holding any office or place of profit by being a mere Director of the Company. If approved by the Board, he shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof and reimbursement of expenses for participating in the Board and other meetings and profit related commission, if any, within the limits stipulated under Section 197 of the Companies Act, 2013 and the Listing Regulations.

In accordance with the provisions of Sections 152 and 160 of the Companies Act, 2013 and applicable provisions of the Listing Regulations, appointment of a Director requires approval of shareholders of the Company by way of an ordinary resolution. Accordingly, the approval of shareholders is sought for appointment of Shri S J Haider, IAS as a Non-Executive and Non-Independent Director on the Board of the Company.

Except Shri S J Haider, IAS, none of the other Directors / Key Managerial Personnel of the Company and their respective relatives is /are, in any way, concerned or interested, financially or otherwise, in the aforesaid Resolution No.4 of the Notice. The Board recommends the Resolution at Item No. 4 of the Notice for your approval.

ITEM NO. 05

Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 ("Audit Rules") provides for:

- appointment of a Cost Accountant in practice, to conduct audit of cost records of a company, by the board of directors on the recommendation of audit committee; and
- ratification of remuneration payable to him by the members of the company.

The Board, on recommendation of the Finance-cum-Audit Committee, has approved the appointment of and remuneration payable to M/s Dhananjay V Joshi & Associates, (Firm Registration No. 000030), Cost Accountant, Pune, as cost auditor of the Company for the financial year 2024-25. The remuneration fixed for conducting the audit of the cost records of the Company for the financial year ending on 31st March, 2025 is to ₹ 4,40,000/- per annum plus applicable taxes (for Cost Audit and Special Cost audit under NBS scheme), certificate fees of ₹ 5,000/- per certificate plus applicable taxes and out of pocket expenses actually incurred by them during the course of Audit subject to upper cap of ₹ 40,000/- (excluding Taxes) per annum.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the cost auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, the Members are requested to consider and ratify the remuneration payable to M/s Dhananjay V Joshi & Associates for the financial year ending 31st March, 2025, as set out at item no. 5 of the Notice.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.5 of the Notice.

The Board recommends the Ordinary Resolution set out at item no. 5 of the Notice for approval of the Members.

By Order of the Board

Sd/-
Nidhi Pillai
Company Secretary &
Vice President (Legal)
Membership No. A15142

Place: Vadodara
Date: 28.08.2024

Annexure – I

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ REAPPOINTMENT BY THE SHAREHOLDERS OF THE COMPANY AT THE ENSUING ANNUAL GENERAL MEETING PURSUANT OF REGULATION 26(4) AND 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND APPLICABLE SECRETARIAL STANDARD - 2

Name of Director	Shri S J Haider, IAS
DIN	02879522
Date of Birth/Age	3rd December, 1965 / 58 years
Date of first appointment	13th August, 2024
No. of Shares held by self or by any beneficial basis for any other person	Nil
Relationship with other Directors / Key Managerial Personnel	Nil
Qualifications	B.Sc. (Hons.) Physics, M.Sc. in Physics with specialization in Electronics, Certificate in Computers (CIC) from IGNOU
Nature of Expertise/ Experience	A member of the Indian Administrative Service (IAS) with over 32 years of experience in administration and governance, Shri S. J. Haider is presently serving as the Additional Chief Secretary to the Government of Gujarat in Energy and Petrochemicals Department. He has completed his M.Sc. in Physics with specialization in Electronics. Shri Haider has earlier served in various capacities such as District Development Officer, Municipal Commissioner and Collector & District Magistrate in various Districts of Gujarat and worked in various Departments like Finance, Transport, Science and Technology, Tourism & Civil Aviation, Rural Development, Education (Higher and Technical Education) and Industries and Mines Department. He also held the additional charge of Additional Chief Secretary, Climate Change Department.
Names of other Companies in which Directorship is held	Gujarat Narmada Valley Fertilizers & Chemicals Limited (“GNFC”) Gujarat Gas Limited Gujarat State Petroleum Corporation Ltd. Gujarat Urja Vikas Nigam Ltd. Gujarat State Electricity Corporation Ltd. Gujarat Energy Transmission Corporation Ltd. Torrent Power Ltd. Gujarat Power Corporation Ltd.
Names of the Committees of the Board of Companies in which Membership/ Chairmanship is held at GSFC Limited	Nomination & Remuneration Committee – Member

Memberships / Chairmanship of Committees of other companies*	GNFC- NIL membership in Committee
Attendance at the Board meetings held during the financial year 2023-24	Not Applicable
Proposed Remuneration	Shri S.J. Haider, IAS is only entitled to receive sitting fee and out of pocket expenses for attending Board and Committee meetings
Terms and conditions of appointment	It is proposed to appoint Shri S.J. Haider, IAS as Non-Executive and Non-Independent Director of the Company liable to retire by rotation.
Listed entities from which S.J. Haider, IAS has resigned as Director in the past three years	Gujarat Mineral Development Corporation

* As per the Information available on the date of signing.

By Order of the Board

Sd/-
Nidhi Pillai
Company Secretary &
Vice President (Legal)
Membership No. A15142

Place: Vadodara
Date: 28.08.2024

NOTES

Notes:

1. Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 ("Act") and applicable Secretarial Standards, in respect of item nos. 3 to 5, including those relating to special business to be transacted at the 62nd Annual General Meeting ("AGM" / "Meeting"), is annexed to the Notice. The Board of Directors have considered that the special business under item no. 4 & 5 are unavoidable and should be transacted at the AGM of the Company.

2. The Ministry of Corporate Affairs (MCA) has vide its General Circular no. 09/2023 dated 25th September, 2023 regarding "Clarification on holding of Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM)" along with other relevant General Circulars issued by the Ministry of Corporate Affairs ('MCA') (hereinafter referred to as 'MCA Circulars') from time to time permitted the Companies whose AGMs are due in the year 2024, to conduct their AGMs up to 30th September, 2024 through VC/OAVM, without the physical presence of the members at a common venue and also provided relaxation from dispatching of physical copies of Notice of AGM and Financial Statements for the year 2024. Considering the above MCA Circulars, Securities and Exchange Board of India (SEBI) vide its circular no. SEBI/ HO/CFD/CFD-PoD-2/P/CIR/ 2023/167 dated 07th October, 2023 in respect of "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015" ('SEBI Circular') provided relaxation up to 30th September, 2024 relating to the requirements specified in Regulation 36(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') which requires sending hard copy of the Annual Report containing salient features of all the documents prescribed in Section 136 of the Companies Act, 2013 ('Act') to the Shareholders who have not registered their email addresses.

   In compliance with these MCA and SEBI Circulars, applicable provisions of the Act (including any statutory modifications or re-enactments thereof for the time being in force) read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and pursuant to Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), the 62nd AGM of the Company is being held through VC / OAVM. Central Depository Services (India) Limited ('CDSL') will be providing a facility for remote e-voting, participation in the AGM through VC / OAVM and e-voting during the AGM. Deemed venue for the 62nd AGM shall be the Registered Office of the Company at GSFC Corporate Office, P.O. Fertilizernagar, Vadodara - 391750, Gujarat.

3. **A Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be a Member. However, since, this AGM is being conducted through VC/ OAVM, physical attendance of Members is not required and has been dispensed with. Accordingly, facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. Members can attend the meeting through login credentials provided to them to virtually connect for the AGM.**

4. Corporate/Institutional Members are entitled to appoint authorised representatives to attend the AGM through VC/ OAVM on their behalf and cast their votes through remote e-voting or at the AGM. Corporate/Institutional Members intending to authorise their representatives to participate and vote at the Meeting are requested to send a certified copy of the Board resolution/authorisation letter to the Scrutiniser at e-mail ID csneerajtrivedi@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com and to the Company at investors@gsfcltd.com, authorising its representative(s) to attend through VC/OAVM and vote on their behalf at the Meeting, pursuant to section 113 of the Act.

5. In compliance with the MCA Circulars and SEBI Circular as mentioned above, the Notice of 62nd AGM along with Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depository Participants. Members may note that the Notice along with Annual Report 2023-24 has been uploaded on the website of the Company at www.gsfclimited.com and on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com and on the website of CDSL at www.evotingindia.com.

6. Members attending AGM through VC/OAVM shall be counted for the purpose of reckoning quorum under Section 103 of the Act.

7. Pursuant to the provisions of Section 91 of the Act, the Register of Members and the Share Transfer Books of the Company shall remain closed from Tuesday, 10th September, 2024 to Tuesday, the 24th September, 2024 (both days inclusive). for determining the members entitled for dividend.

NOTES (Contd..)

8. The Board of Directors of the Company, at its meeting held on 21st May, 2024, has recommended a dividend of INR 4.00 per equity share of Rs. 2 each (200%) fully paid up, for the financial year 2023-24. The Company has fixed Monday, 9th September, 2024 as the "Record Date" for determining entitlement of Members to receive dividend for the FY 2023-24. Dividend, if declared, at the AGM, will be credited / dispatched on or after 30th September, 2024 to those Members or their mandates whose names appear as Members (holding shares in physical form) in the Register of Members of the Company, or as beneficial owners (holding shares in electronic form), as per the beneficial ownership data to be furnished by the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) (NSDL and CDSL shall hereinafter be collectively referred to as "Depositories") as of the close of business hours on the Record Date.

9. In terms of Schedule I of the SEBI Listing Regulations, listed companies are required to use the Reserve Bank of India's approved electronic mode of payment such as Electronic Clearance Service ("ECS"), Local ECS / Regional ECS / National ECS, National Electronic Fund Transfer / NACH, for making payment of dividend to its Members.

10. Accordingly, Members holding shares in electronic form may note that their bank details as may be furnished to the Company by respective Depositories will only be considered for remittance of dividend through NECS/ECS or through Dividend Warrants. Beneficial Owners holding Shares in demat form are requested to update their bank account details with respective Depository Participants (DP) to avoid any rejections and also give instructions regarding change of address, if any, to their DPs.

11. Link Intime India Pvt. Ltd. is the Registrar and Share Transfer Agent (RTA) of the Company. Members are requested to send all future correspondence to Link Intime India Private Limited, at "Geetakunj" 1, Bhakti Nagar Society, Behind ABS Tower, Old Padra Road, Vadodara 390015, Gujarat. Members holding shares in physical mode are requested to notify immediately any change in their addresses, the Bank mandate or Bank details along with photocopy of the cancelled cheque or bank passbook/statement attested by the bank to the RTA and / or respective DP.

12. Shareholders of the Company holding shares in physical mode are requested to register their E-mail address with the RTA at https://web.linkintime.co.in/EmailReg/Email_Register.html by entering the details of Folio No., Certificate No., Shareholder Name, PAN, Mobile No. and E-mail address with OTP Verification or Members may send such details through E-mail at vadodara@linkintime.co.in. While uploading/ sending the said details, self-certified copy of PAN and copy of Aadhar Card or valid Passport are required to be attached for verification purpose. Members holding shares in dematerialised form can also register their e-mail address, PAN, Mobile Number etc. with their DP or with the RTA of the Company on the aforesaid link.

13. The Company has fixed Monday, 9th September, 2024 as the "Record Date" for determining entitlement of Member to receive dividend for the FY 2023-2024, if approved at the AGM. Those Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Record Date shall be entitled for the dividend which will be paid on or after Monday, 30th September 2024, subject to applicable TDS. The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, 10th September, 2024 to Tuesday, the 24th September, 2024 (both days inclusive).

14. ELECTRONIC CREDIT OF DIVIDEND: SEBI has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the Registrar and Transfer Agent for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through the National Electronic Clearing Service (NECS)/ National Electronic Fund Transfer (NEFT)/Real Time Gross Settlement (RTGS)/Direct Credit, etc. Further, the Shareholders holding shares in physical form may kindly note that SEBI, vide its various circulars has mandated that dividend shall be paid only through electronic mode with effect from 1st April, 2024. Hence, the Shareholders are requested to update their details with Company / RTA.

15. Members holding shares in electronic form may note that their bank details as may be furnished to the Company by respective Depositories will only be considered for remittance of dividend through NECS/ECS or through Dividend Warrants. Beneficial Owners holding Shares in demat form are requested to get in touch with their Depository Participants (DP) to update / correct their NECS/ ECS details - Bank Code (9 digits) and Bank Account No. (11 to 16 digits) to avoid any rejections and also give instructions regarding change of address, if any, to their DPs. It is requested to attach a photocopy of a cancelled cheque with your instructions to your DP.

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16. In addition to the updating of E-mail address of the shareholders of the Company, those shareholders who hold shares in physical mode may also register / update their Bank Account details at the aforesaid link or can send an E-mail, mentioning the Folio No. to the RTA of the Company by attaching copy of their cancelled cheque or bank passbook/ statement attested by the bank.

17. Pursuant to the provisions of Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, the amount of dividend unclaimed dividend up to FY 2015-16 have been transferred from time to time on respective due dates to Investor Education and Protection Fund (IEPF). Details of unpaid/unclaimed dividend lying with the Company as on 31st March, 2023 is available on the website of the Company at www.gsfclimited.com.

18. Attention of the Members is drawn to the provisions of Section 124 (6) of the Act read with the Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, which requires a Company to transfer all Shares in respect of which dividend has not been paid or claimed for seven (07) consecutive years or more to IEPF Authority. In compliance with the aforesaid provision of the Act the Company has transferred the underlying shares in respect of which dividends remained unclaimed for a consecutive period of seven years.

19. The Members who have not encashed dividend warrant(s) for the years 2016-17, 2017-18, 2018-19, 2019-20, 2020-21, 2021-22, and 2022-23 are requested to claim payment immediately by writing to the Company's R&T Agent, Link Intime India Pvt. Ltd. at the address given above. After seven years, unclaimed dividend shall be transferred to the Investor Education and Protection Fund. Pursuant to provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the details of unclaimed dividend amount lying with the Company as on 31st March, 2023 has been uploaded on the Company's website (www.gsfclimited.com) and also filed with the Ministry of Corporate Affairs.

20. Any person, whose unclaimed dividend or shares have been transferred to the IEPF Authority may claim back the same by making an application in Form IEPF 5 to the IEPF Authority, which is available on Website of IEPF Authority at www.iepf.gov.in.

21. Pursuant to the provisions of Section 72 of the Act, Shareholders are entitled to make nomination in respect of the shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form SH-13 to the R&T Agent, Link Intime India Pvt. Ltd. at the address given above.

22. The SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form should submit their PAN to the Company/ R&T Agent.

23. Members may note that in terms of the provisions of the Income-tax Act, 1961, ("the Act"), dividend paid or distributed by a Company on or after 1st April 2020 is taxable in the hands of the shareholders. Therefore, the Company shall be required to deduct tax at source (withheld tax) at the time of payment of dividend. The tax rates would vary depending on the residential status of the shareholder and the exemptions as enumerated in the Act subject to fulfilling the documents requirements as provided herein below:

➢ **For resident shareholders**

Tax will be deducted at source ("TDS") under Section 194 of the Income Tax Act ("the Act")@ 10% on the amount of dividend payable unless exempt under any of the provisions of the Act. However, in case of individuals, TDS would not apply if the aggregate of total dividend distributed to them by the Company during financial year does not exceed INR 5,000.

Tax at source will not be deducted in cases where a shareholder provides Form 15G (applicable to Resident individual) / Form 15H (applicable to an individual above the age of 60 years) complete in all respect, provided that the eligibility conditions are being met. Blank Form 15G and 15H can be downloaded from the link given at the end of this communication. Please note that all fields mentioned in the Form are mandatory and Company may reject the forms submitted, if it does not fulfil the requirement of law.

Kindly note that valid Permanent Account Number ("PAN") will be mandatorily required. Shareholders who do not have PAN or whose PAN is inoperative due to not linked with Aadhar, TDS would be deducted at higher rates u/s 206AA of the Act.

Further, tax would also be deducted at higher rate under Section 206AB of the Act, if shareholder falls under the definition of "Specified person" as defined in the said section.

NIL/lower tax shall be deducted on the dividend payable to following resident shareholders on submission of self-declaration complete in all respect (as per format attached) as listed below:

i. Insurance companies: Declaration (refer format) by shareholder qualifying as Insurer submit certificate of Insurance Companies registered under IRDA along with self-attested copy of PAN card;

ii. Mutual Funds: Declaration (refer format) by Mutual Fund shareholder eligible for exemption u/s 10(23D) of the Income- tax Act, 1961 along with registration certificate substantiating applicability of section 196 of the IT Act ,self-attested copies of registration documents and PAN card;

iii. Alternative Investment Fund (AIF) established in India: Declaration (refer format) that the shareholder is eligible for exemption under section 10(23FBA) of the Act and they are covered by Notification No. 51/2015 dated 25th June 2015 and established as Category I or Category II AIF under the SEBI regulations along with registration certificate issued by SEBI. Copy of self-attested registration documents and PAN card should be provided.

iv. New Pension System Trust: Declaration (refer format) along with self-attested copy of documentary evidence (e.g. relevant copy of registration, notification, order, etc. that the Trust is established in India and are the beneficial owner of the share/shares held in the Bank and income is exempt under Section 10(44) of the Act and being regulated by the provisions of the Indian Trusts Act, 1882 along with self-attested copy of the PAN card.

v. Other shareholders - Declaration (refer format) along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN card.

vi. Shareholders who have provided a valid certificate issued Under Section 197 of the Act for lower / nil rate of deduction or an exemption certificate issued by the income tax authorities along with Declaration (refer format).

Please note that pursuant to the SEBI master circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated 7th May, 2024, it is mandatory to furnish PAN, KYC Details i.e. mobile number, bank account details and nomination in respect of physical Folios. However, providing email is optional. Kindly ensure these details are updated with Registrar to avail uninterrupted service request and Dividend credit in Bank Account as no dividend will be paid to physical shareholders by way of issuance of physical warrant with effect from 1st April, 2024, subject to amendments from time to time.

➢ For NON-RESIDENT shareholders (including Foreign Institutional Investors and Foreign Portfolio Investors)

Tax is required to be withheld in accordance with the provisions of Section 195 and section 196D of the Act at applicable rates in force. As per the relevant provisions of the Act, the tax shall be withheld @ 20% (plus applicable surcharge and cess) on the amount of dividend payable. In case non-resident shareholders provide a certificate issued under Section 197/195 of the Act, for lower / NIL withholding taxes, rate specified in the said certificate shall be considered, on submission of self-attested copy of the same. However, as per Section 90 of the Act, a non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the shareholder, if they are more beneficial to the shareholder. For this purpose, i.e. to avail the tax treaty benefits, the non-resident shareholder will have to provide the following:

i. Self-attested copy of PAN card, if any, allotted by the Indian income tax authorities; In case PAN is not available, the non-resident shareholder shall furnish (a) name, (b) e-mail ID, (c) contact number, (d) address in residency country, (e) Tax Identification Number of the residency country (link of format attached);

ii. Self-attested copy of valid Tax Residency Certificate ("TRC") obtained for the current year from the tax authorities of the country of which the shareholder is resident;

iii. Electronically generated Form 10F from the Income Tax portal;

iv. Self-declaration (refer format) by the non-resident shareholder of meeting treaty eligibility requirement and satisfying beneficial ownership requirement (Non-resident having PE in India would need to comply with provisions of section 206AB of the IT Act).

v. In case of Foreign Institutional Investors and Foreign Portfolio Investors, self-attested copy of SEBI registration certificate.

NOTES (Contd..)

vi. In case of shareholder being tax resident of Singapore, please furnish the letter issued by the competent authority or any other evidences demonstrating the non-applicability of Article 24 - Limitation of Relief under India-Singapore Double Taxation Avoidance Agreement (DTAA).

The self-declarations referred to in point nos. (iii) to (iv) can be downloaded from the link given at the end of this communication.

Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by non- resident shareholders and meeting requirement of Act read with applicable tax treaty. In absence of the same, the Company will not be obligated to apply the beneficial DTAA rates at the time of tax deduction on dividend amounts. Form 10F in digital format is mandatory for non-resident shareholders having PAN in India or who are required to obtain PAN in India. Form 10F in any other format will not be considered for treaty benefit.

➢ Higher rate of TDS

- In case, individual shareholders who do not have PAN/Invalid PAN/PAN not linked with Aadhar / not registered their valid PAN details in their account, TDS at the rate of 20% shall be deducted under Section 206AA of the Act.
- Where a shareholder is a "specified person" as per Section 206AB, TDS at the rate of 20% shall be deducted.

The Company will use the mechanism prescribed by Income tax department to verify if a shareholder is a 'specified person' under section 206AB of the Income Tax Act and basis the result provided, the Company will apply higher rates under section 206AB of the Income Tax Act on those shareholders who are covered as 'specified person' under section 206AB of the IT Act.

To enable us to determine the appropriate TDS / withholding tax rate applicable, we request you to provide the above details and documents not later than Record Date 6th September, 2024.

To summarize, dividend will be paid after deducting the tax at source as under:

i. NIL for resident (individual) shareholders receiving dividend up to INR 5000 or in case Form 15G / Form 15H (as applicable) along with self-attested copy of the PAN card linked to Aadhar is submitted.

ii. 10% for other resident shareholders in case copy of PAN card is provided/available.

iii. NIL / lower withholding tax rate for resident shareholders on submission of self-attested copy of the certificate issued under section 197 of the Act.

iv. 20% for resident shareholders if copy of PAN card is not provided / not available / non-filers / non-operative PAN of return of income.

v. Tax will be assessed on the basis of documents submitted by the non-resident shareholders.

vi. 20% plus applicable surcharge and cess for non-resident shareholders in case the relevant documents are not submitted.

vii. Lower/ NIL TDS on submission of self-attested copy of the valid certificate issued under section 197/195 of the Act.

Aforesaid rates will be subject to applicability of section 206AA/206AB of the Act.

Clearing member should ensure that as on record date no shares are lying in their account and shares are transferred to respective shareholder's account so that dividend is credited directly to shareholder's account and not to the clearing member's account. In terms of Rule 37BA of Income Tax Rules 1962, if dividend income on which tax has been deducted at source is assessable in the hands of a person other than the deductee, then such deductee should file declaration (refer format) with Company in the manner prescribed by the Rules at the earliest but before record date. The Company will not consider any declarations referred to Rule 37BA of Income Tax Rules, 1962 received after the record date. Company will notify record date in due course of time.

In case tax on dividend is deducted at a higher rate in the absence of receipt or defect in any of the aforementioned details / documents, you will be able to claim refund of the excess tax deducted by filing your income tax return. No claim shall lie against the Company for such taxes deducted.

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- For shareholders having multiple accounts under different status / category:

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

- Updating of PAN, email address and other details :

  Shareholders holding shares in dematerialized mode, are requested to update their records such as tax residential status, permanent account number (PAN), registered email addresses, mobile numbers and other details with their relevant depositories through their depository participants. Shareholders holding shares in physical mode are requested to send duly filled Form ISR-1 (KYC Form), ISR-2(Bank Verification Form) and SH-13 (Nomination Form) of ISR-3 (Opt out Nomination Form) with necessary attachments to our RTA Link Intime India Pvt. Ltd. The Company is obligated to deduct tax at source (TDS) based on the records available with RTA and no request will be entertained for revision of TDS return.

- Updating of Bank account details:

  While on the subject, we request you to submit / update your bank account details with your Depository Participant, in case you are holding shares in the electronic form. In case your shareholding is in the physical form, you will have to submit a scanned copy of a covering letter, duly signed by you, along with a cancelled cheque leaf with your name and bank account details and a copy of your PAN card duly self-attested. This will facilitate receipt of dividend directly into your bank account. In case the cancelled cheque leaf does not bear your name, please attach a copy of the bank pass-book statement, duly self-attested.

  The aforementioned documents (duly completed and signed) have to be submitted to our RTA, by clicking the URL Link https://liiplweb.linkintime.co.in/formsreg/submission-of-form-15g-15h.html on or before Record Date i.e. Monday, 9th September, 2024 in order to enable the Company to determine and deduct appropriate TDS / withholding tax. In this regard, any documents, communications, request received after record date shall not be considered by the Company.

  The documents furnished/uploaded by the shareholders (such as Form 15G/15H, TRC, Form 10F, self-attested declaration etc.) shall be subject to review and examination by the Company before allowing any beneficial rate or NIL rate. The Company reserves the right to reject the documents in case of any discrepancies or documents are found to be incomplete.

  All communications/ queries in this respect should be addressed and sent to our RTA, Link Intime India Private Limited at its email address at vadodara@linkintime.co.in.

  Shareholders may note that in case the tax on said dividend is deducted at a higher rate in absence of receipt, or insufficiency of the aforementioned details/documents an option is available to shareholder to file the return of income as per Income Tax Act, 1961 and claim an appropriate refund, if eligible.

  In the event of any income tax demand (including interest, penalty etc.) arising from misrepresentation, inaccuracy or omission of information provided by the shareholder, the shareholder will be responsible to indemnify the Company and also, provide the Company with all information / documents and cooperation in any tax proceedings.

  Members wishing to claim dividends that remained unclaimed are requested to correspond with the RTA as mentioned above or with the Company Secretary, at the Company's registered office or at secdiv@gsfcltd.com. Members are requested to note that dividend that are not claimed within seven years from the date of transfer to Company's Unpaid Dividend Account, will be transferred to the Investors Education and Protection Fund (IEPF). Shares on which dividend remains unclaimed for seven consecutive years shall be transferred to IEPF as per Section 124 of the Act, read with applicable IEPF Rules.

  We urged members to support our commitment to environment by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective DPs. Members holding shares in physical mode are requested to update their email addressed with the Company's RTA as mentioned above, to receive copies of the Annual Report 2023-2024 in electronic mode. Members holding shares in demat mode shall contract their DP to update the bank account details in their demat account as per process advised by their DP. Members holding shares in physical mode may follow the process detailed below for registration of email ID to obtain the report and update of bank account details for the receipt of dividend. For availing the various investors service, shareholders shall send written request in the prescribed forms to the RTA of the Company as under :-

Process to be followed in case shares are in Physical Mode	Form No.
Form for availing Investors Services to register PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode	Form ISR-1
Update of Signature of Securities holder	Form ISR-2
For nomination as provided in the Rules	Form SH-13
Declaration to opt out for Nomination	Form ISR-3
Cancellation of nomination by the holder(s) (along with ISR-3) / Change of Nominee	Form SH-14
Form for requesting issue of Duplicate Certificate and other service request for shares held in physical form	Form ISR-4

Pursuant to the provisions of Section 72 of the Act, Shareholders are entitled to make nomination in respect of the shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form SH-13 to the R&T Agent, Link Intime India Pvt. Ltd. at the address given above.

Members who have not registered their e-mail addresses so far are requested to register their email address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company, electronically.

24. **TRANSFER OF SHARES PERMITTED IN DEMAT FORM ONLY:** As per Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), securities of listed companies can be transferred only in dematerialised form with effect from 1st April, 2019, except in case of transmission or transposition of securities. Further, SEBI vide its Master Circular dated 7th May, 2024, has mandated that securities shall be issued only in dematerialised mode while processing duplicate/ unclaimed suspense/ renewal/ exchange/ endorsement/ sub-division/ consolidation/ transmission/ transposition service requests received from physical securities holders. In view of the above and to eliminate risk associated with physical shares and to avail various benefits of dematerialisation, Members are advised to dematerialise their shares held in physical form.

25. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance latest by 14th September, 2024, by mentioning their name, demat account numbers/folio numbers, email ids, mobile numbers at nidhi.pillai@gsfcltd.com. The shareholders who do not wish to speak during the AGM and wish to raise any query, may send their queries in advance latest by 14th September, 2024, mentioning their names, demat account numbers/folio numbers, email ids, mobile numbers at investors@gsfcltd.com. These queries will be replied to by the Company suitably by email. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.

26. **Inspection of documents:**

    All documents referred to in this Notice and Statement u/s. 102 of the Act will be available for inspection electronically by the members of the Company from the date of circulation of this Notice up to the date of the AGM. Members seeking to inspect such documents can send an e-mail to secdiv@gsfcltd.com/ nidhi.pillai@gsfcltd.com.

27. **Procedure for remote e-voting, attending the AGM through Video Conference/Other Audio Visual Means (VC/OAVM) and E-Voting facility during the AGM: The detailed process, instructions and manner for availing Remote e-Voting, attending AGM through VC/OAVM and E-Voting facility during the AGM is given hereunder:**

    I. As per Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing facility for voting by electronic means ("e-Voting") and the business in respect of all Shareholders' Resolutions may be transacted through such e-Voting. The facility is provided to the Shareholders to exercise their right to vote by electronic means from a place other than the venue of AGM ("remote e- Voting") as well as e-voting system on the date of AGM through e-Voting services provided by Central Depository Services (India) Limited (CDSL).

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II. The Company has fixed Tuesday, 17th September, 2024, as a cut-off date to record the entitlement of the Shareholders to cast their votes electronically by remote e-Voting as well as by e-voting system on the date of AGM.

III. The remote e-Voting period shall commence on Friday, 20th September, 2024 at 09:00 a.m.(IST) and end on Monday, 23rd September, 2024 at 05:00 p.m.(IST). During this period, Shareholders of the Company holding shares either in physical form or in dematerialized form as on the cut-off date, i.e. 17th September, 2024 may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting after 5:00 p.m. on Monday, 23rd September, 2024. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently.

Any person, who becomes Member of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date i.e. Tuesday, 17th September, 2024 may obtain USER ID and password by following e-Voting instructions which is part of the Notice and the same is also placed in e-Voting Section of CDSL Website i.e. www.evotingindia.com and Company's Website i.e. www.gsfclimited.com. For further guidance, Members are requested to send their query by email at helpdesk.evoting@cdslindia.com. Members can also cast their vote using CDSL's mobile app m-Voting available for android based phones. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

CDSL e-Voting System – For e-voting and Joining Virtual meetings.

1. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
2. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

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

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

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

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL Depository**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL Depository**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting

Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

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

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

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

2) Click on "Shareholders" module.

3) Now enter your User ID

   a. For CDSL: 16 digits beneficiary ID,

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

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

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

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

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

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

NOTES (Contd..)

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

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

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

(vi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

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

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

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

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

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

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

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

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

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

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

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

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

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

28. The Company has appointed **Mr. Niraj Trivedi**, Practicing Company Secretary (Membership No. 3844 and COP No. 3123) as the Scrutiniser to review that the process of e-voting is conducted in a fair and transparent manner and issue a report on the votes through remote e-voting and those cast at the AGM.

29. Declaration of results on the resolutions:

i. The Scrutiniser shall, immediately after the conclusion of voting at the AGM, count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutiniser shall make, not later than two working days from conclusion of the Meeting, a consolidated Scrutiniser's Report of the total votes cast in favour or against each resolution, invalid votes, if any, and whether the resolution(s) has / have been carried or not. This report shall be submitted to the Chairperson or a person authorised by him, in writing, who shall countersign the same.

ii. The results shall be declared after the AGM of the Company and shall be deemed to be passed on the date of AGM. The results along with the Scrutiniser's Report shall be placed on the website of the Company www.gsfclimited.com within two working days of passing of the resolutions at the AGM of the Company and shall be communicated to BSE Limited and National Stock Exchange of India Limited, where the Company's equity shares are listed. CDSL, who has provided the platform for facilitating remote e-voting, will also display these results on its website https://www.evotingindia.com/. The said results shall also be displayed at the registered office of the Company.

30. Members are requested to kindly keep the Annual Report sent to their registered e-mail ID with them while attending the AGM through VC / OAVM.

31. The recorded transcript of the AGM, shall also be made available on the website of the Company www.gsfclimited.com under the tab of 'Investor Relations'.

32. Since the AGM will be held through VC/OAVM, the route map of the venue of the meeting is not annexed hereto.

Contact Details
Company: Gujarat State Fertilizers & Chemicals Limited
P.O.: Fertilizernagar - 391 750
DIST.: VADODARA (GUJARAT)
Phone: (0265) 2242451, Extn. 3582
E-mail: nidhi.pillai@gsfcltd.com

Registrar & Share Transfer Agent: Link Intime India Private Limited (Unit: GSFC)
Geetakunj, 1, Bhaktinagar Society, Behind ABS Tower, Old Padra Road, Vadodara - 390 015.
Tel No: +91 265 -3566768
E-mail id: vadodara@linkintime.co.in

e-Voting Agency : Central Depository Services (India) Limited
E-mail: helpdesk.evoting@cdslindia.com
Phone: +91-22-22723333/8588

Scrutinizer: Mr. Niraj Trivedi
Practicing Company Secretary
218-219, Saffron Complex, Fatehgunj,
VADODARA : 390 002 (GUJARAT)
E-mail: csneerajtrivedi@gmail.com

62ND BOARD'S REPORT

To

The Members,

Your Directors present herewith the 62nd Annual Report on the business and operations together with financial statement of the Company for the Financial Year ended 31st March, 2024.

1. Financial highlights of the Company:

(₹ in Crores)

Particulars	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Gross Sales	8932.12	11298.03	9154.64	11368.69
Other Income	376.17	146.48	376.89	148.85
Total Revenue	9308.29	11444.51	9531.53	11517.54
Less : Operating Expenses	8449.7	9680.57	8641.47	9780.81
Operating Profit	858.59	1763.94	890.06	1736.73
Less : Finance Cost	11.19	14.89	11.20	15.03
Gross Profit	847.40	1749.05	878.86	1721.70
Less : Depreciation	183.02	181.51	183.48	182.02
Exceptional Item	0	0	0	0
Profit before Taxes	664.38	1567.54	695.38	1539.68
Shares in Profit/(Loss) of Associates	0	0	8.41	3
Profit before taxes after Associates	664.38	1567.54	703.79	1542.68
Taxation				
• Current Tax	151.66	410.34	151.67	412.66
• Deferred Tax (net)	-2.28	-115.68	-2.37	-115.68
• Mat Credit recognized	0	0	0.00	0
• Earlier year tax	-9.32	-20.2	-9.29	-20.2
Profit after taxes	524.32	1293.08	563.78	1265.92
Non-controlling Interest	0	0	0.00	0.03
Other comprehensive income arising from re-measurement of defined benefit plan	-225.36	16.96	-225.36	16.97
Balance brought forward from last year	1404.27	683.85	1468.62	775.38
Amount available for appropriations	1703.24	1993.89	1807.31	2058.24
Payment of Dividend				
- Dividend	398.48	99.62	398.48	99.62
Transfer to General Reserve	200.00	490.00	200.00	490.00
Leaving a balance in the Profit & Loss Account	1104.76	1404.27	1208.83	1468.62

2. Dividend:

The Board of Directors, at the meeting held on 21st May, 2024 has recommend a dividend of ₹ 4 per Equity Share of ₹ 2- each (@ 200%) on 39,84,77,530 shares (Previous Year - 500%, i.e. ₹ 10 per share on 39,84,77,530 Equity Shares of ₹ 2 each) for the financial year ended 31st March, 2024, for consideration at the 62nd Annual General Meeting ("AGM") of the Company.

The net outgo on account of Dividend, if approved by shareholders, shall be ₹ 159.39 Crores.

The dividend pay-out is in accordance with the Company's Dividend Distribution Policy.

Dividend Distribution Policy

This policy has been framed and adopted in terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The policy, inter alia, lays down various parameters relating to declaration / recommendation of dividend. There has been no change to the policy during the financial year 2023-24. The policy is placed on the Company's website at https://www.gsfclimited.com/sebi-listing-regulations.

3. Transfer to reserves:

The Company has transferred Rs. 200 crore to general reserves.

4. Brief description of the Company's working during the year/ State of Company's affairs:

Your directors wish to report that your Company has achieved turnover of Rs. 8,932 Crores for the year ended 31st March 2024 as against ₹ 11,298 Crores (FY 22-23) on Standalone basis, which is lower by ₹ 2,366 Crores.

Similarly, for the year under review, Profit Before Tax (PBT) was Rs. 664 Crores and Net Profit was ₹ 524 Crores as against PBT of ₹ 1,568 Crores and Net Profit of ₹ 1,293 Crores for the previous Financial Year.

5. Material changes and commitments:

The Company has not made any material changes or commitments which affect the financial position of the Company during the financial year of the Company to which the financial statements relate and as on the date of signing of this report.

6. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future:

There are no such orders except those which have been appropriately challenged before the judiciary. The Company believes that as of now none of these sub-judies matters impact on going concern status and Company's operation in future

7. Details in respect of adequacy of internal financial controls with reference to the Financial Statements:

Your Company has an internal Control System which is commensurate with the size, scale and complexity of its operations. Review and monitoring of the scope and authority of the Internal Audit function lies with the Finance-cum-Audit Committee of Directors. The Finance-cum-Audit Committee monitors and evaluates the efficacy and adequacy of internal control systems, accounting procedures and policies. Based on the report of Internal Auditors, significant audit observations and actions taken on such observations are presented to the Finance-cum-Audit Committee of the Board.

8. Share Capital:

The paid-up equity share capital of the Company as on 31st March, 2024, was ₹ 79,69,55,060. During the year under review, there has been no change in authorized, issued, subscribed and paid up share capital, including any reclassification or sub-division thereto. The Company has not issued shares with differential voting rights, sweat equity shares, neither has it granted any employee stock options nor has issued any convertible securities. Please refer the notes to financial statements for details of Share Capital.

9. Details of Subsidiary/Joint Ventures/Associate Companies:

As at 31st March, 2024, Companies listed below are the Subsidiary Company or Associate Companies:

➢ Subsidiary Companies	-	GSFC Agrotech Limited*
		Gujarat Port and Logistics Company Limited**
		Vadodara Jal Sanchay Private Limited***
➢ Associate Companies	-	Vadodara Enviro Channel Limited
		Gujarat Green Revolution Company Limited
		Gujarat Data Electronics Limited
		Karnalyte Resources INC

The Company does not have any material subsidiary in terms of Companies Act, 2013 read with SEBI (Listing Obligation & Disclosure Requirement) Regulations.

*GSFC Agrotech Limited was incorporated on 02/04/2012 as a wholly owned subsidiary company of Gujarat State Fertilizers & Chemicals Limited.

**Gujarat Port and Logistics Company Limited was incorporated on 03/02/2020 as a Joint Venture Company by Gujarat State Fertilizers & Chemicals Limited and Gujarat Maritime Board with investment in the ratio of 60:40 respectively.

***Vadodara Jal Sanchay Private Limited was incorporated on 22/07/2020 as a joint venture company by Gujarat State Fertilizers & Chemicals Limited, Gujarat Alkalies and Chemicals Limited, Gujarat Industries Power Company Limited and Vadodara Municipal Corporation with investment in the ratio of 60:15:15:10 respectively.

A report on the performance and financial position of each of the subsidiaries and associates and joint venture companies as per the Companies Act, 2013 is provided at Annexure - A to the Consolidated Financial Statement and hence not reproduced here for the sake of brevity.

10. Listing of Shares & Depositories:

The Equity Shares of your Company are listed on the BSE Limited (BSE) and National Stock Exchange of India Ltd. (NSE). The listing fee for the FY 24-25 has been paid timely to both the BSE and NSE.

Your Directors wish to state that the Equity Shares of your Company are compulsorily traded in dematerialized form w.e.f. 26/06/2000. Presently, 98.49% of shares are held in electronic/ dematerialized form.

11. Report on Corporate Governance and Management Discussion and Analysis Report To Shareholders:

Your Company has complied with all the mandatory requirements of Corporate Governance norms as mandated by Listing Regulations.

A separate report on Corporate Governance together with the Certificate of M/s. Samdani Kabra & Associates, Company Secretaries, Vadodara forms part of this Annual Report.

The Management Discussion & Analysis report also forms part of this Annual Report.

12. Business Responsibility & Sustainability Report:

In terms of Regulation 34(2) of the Listing Regulations Business Responsibility and Sustainability Report for the financial year 2023-24 is placed on the Company's website at
https://www.gsfclimited.com/Content/writereaddata/Portal/Document/104_1_1_GSFC-_BRSR_FY_23-24_FINAL.PDF

13. Fixed Deposits:

During the year 2023-24, your Company has not accepted/ renewed any Fixed Deposit.

During the year, the Company has not transferred any amount being unclaimed deposits and interest thereon to the Investors' Education and Protection Fund (IEPF) as required in terms of Section 125 of the Companies Act, 2013.

The Company has discontinued accepting new deposits since 15/11/2005, and renewing the deposits since 31/03/2009.

14. Details of loans availed from Directors or their relatives:

The Company has not availed any loan from its Directors or their relatives.

15. Insurance:

All the properties and insurable interests of the Company, including the buildings, plant & machinery and stocks have been adequately insured. Also, as required under the Public Liability Insurance Act, 1991, your Company has taken the appropriate insurance cover.

16. Directors & Officers Insurance Policy:

In terms of Regulation 25(10) of the Listing Regulations, the Company has in place a Directors & Officers insurance Policy for such quantum and risk coverage, as determined by the Board of Directors.

17. Expansion & Diversification:

Your Directors are happy to share the status of various projects that are under execution/ executed as below:

- **400 MTPD Ammonium Sulphate Plant at Vadodara Unit:-**

  To capture growing market of Ammonium Sulphate, your Company has successfully commissioned 400 MTPD Ammonium Sulphate Plant at Vadodara Unit in January, 2024. Based on experience of Ammonium Sulphate production over the years, your Company has executed the Project without involving technology supplier and by utilising In-house expertise & available resources.

- **Roof top and Floating Solar Power Project at Vadodara and Sikka Unit:-**

  To enhance green energy portfolio, your Company has successfully commissioned 140 KW (AC) roof top solar power plant at Vadodara Unit and 640 KW (AC) floating roof & roof top solar power plant at Sikka unit in January, 2024.

- **Floating Solar Power Project at Fiber Unit:-**

  To enhance green energy portfolio, your Company is setting up 1 MW (AC) Floating solar power plant on EPC basis at Fiber Unit. M/s Hi Tech Transpower Pvt. Ltd is EPC Contractor. The Project is under execution stage and expected Commissioning date is September, 2024.

- **Relocation of 07 nos. Wind mills to facilitate operation of Rajkot International Airport:-**

  To facilitate the operation of Rajkot International Airport, your Company is relocating 07 nos. of wind mills from Mahidad, Rajkot site by engaging M/s Suzlon as LSTK Contractor. Project is under execution stage and erection & pre-commissioning activities are completed at new locations. Expected date of commissioning of these wind mills progressively is September, 2024.

- **15 MW Solar Power Project at Charanka:-**

  To make use of green energy, your company is setting up 15 MW (AC) ground mounted solar power plant on EPC basis at Charanka, Gujarat. M/s Kosol Energies Private Limited is EPC Contractor. The Project is under execution stage and expected Commissioning date is November, 2024.

- **20 MTPD HX Crystal Project at Vadodara Unit:-**

  Considering present demand-supply gap and as an import substitute, your company is expanding production capacity of HX crystal plant at Vadodara unit for further value addition. Your company is executing the Project based on In-house technology & expertise and by utilising available resources. The milestone of Mechanical completion of the project is achieved in August, 2024 and Project is under execution stage and expected to be commissioned by September, 2024.

- **600 MTPD Sulphuric Acid Plant at Vadodara Unit:-**

  Based on Sulphuric Acid & Steam balance of the complex, your Company is setting up 600 MTPD Sulphuric Acid Plant on LSTK basis at Vadodara Unit. M/s ISGEC Heavy Engineering Limited is selected as LSTK Contractor with M/s DMCC technology. The Project is under execution stage and expected Commissioning date is February, 2025.

- **Urea Plant Revamping Project:-**

  To reduce the energy consumption of existing Urea Plants and improve the plant reliability considering vintage plant, your company is carrying out revamping of Urea-II Plant. M/s Casale SA, Switzerland is selected as Technology supplier while M/s Larson & Toubro Limited is selected as EPC contractor. The Project is under execution stage and expected Commissioning date is March, 2025.

- **Refurbishment of Old Vintage Ammonium Sulphate-I (AS-I) & Ammonium Sulphate-II (AS-II) Plants:**

  To improve the plant reliability considering vintage plant, your company is carrying out Refurbishment of Ammonium Sulphate-I (AS-I) & Ammonium Sulphate-II (AS-II) Plants. The refurbishment activities are carried out inhouse and in running plant / availing shutdown opportunities. The expected Project completion date is March, 2025.

- **600 MTPD Phosphoric Acid Plant and 1800 MTPD Sulphuric Acid Plant at Sikka Unit:-**

  As a part of backward integration, your Company is considering to install 600 MTPD Phosphoric Acid Plant and 1800 MTPD Sulphuric Acid Plant at Sikka Unit. M/s TECI, Tunisia is selected as Technology supplier for Phosphoric Acid Plant and Basic Engineering Package is received from M/s TECI. M/s Chemetics, Canada is selected as Technology supplier for Sulphuric Acid Plant and Basic Engineering Package is received in May, 2024 from M/s Chemetics. M/s PDIL is engaged as Project Management Consultant. Activities for engagement of EPC contractor is in progress.

- **Participation in GIPCL's 75 MW Solar Power Project in Group captive mode with GACL:**

  In order to reduce its energy cost, your company is Participating in GIPCL's 75 MW Solar Power Project in Group captive mode with GACL by way of equity infusion. Project is under execution stage and expected to be commissioned in May, 2025.

- **Development of Dahej Complex: -**

  Company has prepared a business plan for development of Dahej Complex by engaging consultant. Detail Project report for the identified products in business plan is under progress by a consultant. The report is expected by September, 2024.

- **Green Hydrogen Project at Vadodara Unit:-**

  As a part of green initiative of Government of India, your company is evaluating setting up of a Green Hydrogen Project at Vadodara Unit on LSTK basis.

18. Information regarding conservation of energy, technology absorption, foreign exchange earnings and outgo and particulars of employees etc. :

Information as required under Section 134 (3) (m) of Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is enclosed in Annexure "C" forming part of this report.

The details relating to Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have been disclosed in Corporate Governance Report.

19. Corporate Social Responsibility (CSR) & Details of policy developed and implemented by the Company on its corporate social responsibility initiatives:

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013. As a part of its initiatives under "Corporate Social Responsibility", the Company has undertaken projects in the areas of education, livelihood, health, water and sanitation. The Annual Report on CSR activities is enclosed as Annexure A. CSR Policy adopted by the Company is placed on the Company's website at https://www.gsfclimited.com/social_commitment.asp?mnuid=1&fid=15

20. Risk Management:

The Company has constituted a Risk Management Committee ("RMC") of the Board to review the Risk review report and Risk Management Framework of the Company. The RMC reviews the management of key risks, as identified by the Company, its financial impact and measures taken to mitigate the same.

Details pertaining to RMC are given in the Corporate Governance Report of the Company.

There are no risks identified by the Board which may threaten the existence of the Company.

21. Directors, Key Managerial Personnel & Senior Management Personnel

A) Changes in Directors and Key Managerial Personnel:

Sr. No.	Name of Director	Change	Effective date	Remarks
1.	Shri Mukesh Puri, IAS	Cessation	01/02/2024	Consequent upon his attaining superannuation, he has tendered his resignation as Managing Director of the Company.
2.	Shri Kamal Dayani, IAS	Appointment	01/02/2024	The General Administration Department, Government of Gujarat has issued an Order vide reference no. AIS/45.2024/l0/G stating that Shri Kamal Dayani will hold additional charge of the post of Managing Director of the Company.
3.	Smt. Mamta Verma, IAS	Cessation	01/08/2024	Consequent upon her transfer from Energy & Petrochemicals Department, Government of Gujarat, she has tendered her resignation as Director of the Company.
4.	Shri J P Gupta, IAS	Cessation	05/08/2024	Consequent upon his transfer from Finance Department, Government of Gujarat, he has tendered his resignation as Director of the Company, with effect from 05th August, 2024.
5.	Shri S J Haider, IAS	Appointment	13/08/2024	The Energy & Petrochemicals Department of Government of Gujarat has issued Letter No.MIS/15-024/1345/2024 dated 12th August, 2024 for appointment of Shri S. J. Haider, IAS as Director of the Company.

The composition of the Board of Directors of the Company, as on the date of this Report is as follows:

Sr. No.	Name of Directors	Category
1.	Shri Raj Kumar, IAS Chairman (DIN:00294527)	Nominee, Non- Executive Non-Independent
2.	Shri Kamal Dayani, IAS Managing Director (w. e. f. 01.02.2024) (DIN:05351774)	Nominee, Executive Non-Independent
3.	Shri Tapan Ray, IAS (Retd.) (DIN:00728682)	Non-Executive Independent
4.	Prof. Ravindra Dholakia (DIN:00069396)	Non-Executive Independent
5.	Smt. Gauri Kumar, IAS (Retd.) (DIN:01585999)	Non-Executive Independent
6.	Dr. Sudhir Kumar Jain (DIN:03646016)	Non-Executive Independent
7.	Shri S.J. Haider, IAS (DIN:02879522)	Non-executive, Non-independent

Declaration by Independent Directors:

In terms of Section 149(7) of the Act and Regulation 16(1)(b) of the Listing Regulations, the Independent Directors of the Company viz.: Shri Tapan Ray, IAS (Retd.); Smt. Gauri Kumar, IAS (Retd.); Prof. Ravindra Dholakia, and Dr. Sudhir Kumar Jain have submitted their declarations confirming compliance with the criteria of independence as stipulated thereunder.

All Independent Directors of the Company have affirmed compliance with the Company's Code of Conduct for Directors and Senior Management Personnel for the financial year 2023-24. The Board has taken on record declarations and confirmations submitted by the Independent Directors regarding their fulfilment of the prescribed criteria of independence, after assessing veracity of the same as required under Regulation 25 of the Listing Regulations.

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by Indian Institute of Corporate Affairs. All Independent Directors of the Company are exempt from the requirement to undertake online proficiency self-assessment test.

A Certificate has been obtained from the Company Secretary in practice, confirming that none of the directors on the Board of Directors of the Company have been debarred or disqualified from being appointed or continuing as director of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authorities. The Certificate of CS Niraj Trivedi, Practicing Company Secretary (C P No. 3123) forms part of this report.

Opinion of the Board with regard to integrity, expertise and experience (including proficiency) of the Independent Directors:

The Board is of the opinion that the Independent Directors of the Company are professionally qualified and well experienced in their respective domains and meet the criteria regarding integrity, expertise, experience and proficiency. Their qualifications, specialized domain knowledge, strategic thinking & decision making and vast experience in varied fields has immensely contributed in strengthening the Company's processes to align the same with good industry practices.

B) Changes in Key Managerial Personnel:

Smt. Nidhi Pillai was appointed as Company Secretary & Compliance Officer as well as Key Managerial Personnel of the Company with effect from 07/08/2023.

Shri V.D. Nanavaty, erstwhile ED(Finance) & Chief Financial Officer of the Company superannuated on 31/05/2024. Shri S.K. Bajpai, Senior Vice President (Finance & Legal) has been appointed as Chief Financial Officer and Key Managerial Personnel of the Company with effect from 01/06/2024.

C) Changes in Senior Managerial Personnel:

During the year under review and till the date of this report, officials of the Company designated as Senior Management Personnel are mentioned below:

i. Shri S.V. Varma, ED(AB, HRS & IR);

ii. Shri D.V. Pathakjee, Sr. VP (IT & ITES, S&FS & PU);

iii. Shri R.S. Erande, Sr. VP (Marketing - IP);

iv. Shri K S Badlani, Sr. Vice President (I&MB, U&EC, PLM & FU);

v. Shri A V Bhave, Sr. Vice President (OP-2);

vi. Shri P R Shah, Sr. VP (PDC); and

vii. Shri S B Patel, Sr. Vice President (OP-I & SU) & Factory Manager

Shri H N Gurjar, ED (Projects) ceased to be the SMP of the Company, after his superannuation with effect from 31st January, 2024.

D) Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of its committees. The manner in which the evaluation has been carried out is explained in the Corporate Governance Report which forms the part of this Annual Report.

22. Changes in Policies of the Company:

A) Nomination & Remuneration Policy ("NR Policy"):

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors, senior management and their remuneration. In terms of Section 178 of the Act, the Nomination and Remuneration Policy covers Directors, Key Managerial Personnel and Senior Management Personnel of the Company. The policy, inter alia, lays down the principles relating to appointment, cessation, remuneration and evaluation of Directors, Key Managerial Personnel and Senior Management Personnel of the Company. The details of Remuneration Policy and its web link are given in the Corporate Governance Report.

The NR Policy was revised by the Board at its meeting held on 7th November, 2023, based on the recommendations of the Nomination & Remuneration Committee. The NR Policy was reviewed in light of amendments to the Listing Regulations from time to time and the practices being followed in the Company. Key revisions made to the NR Policy are:

- Aligning the role of the Committee with that stipulated in the Listing Regulations;
- Revision to the definition of Senior Management Personnel;
- Including reference to the policy of the Board for performance evaluation of the directors, Board, as a whole, and the Committees.
- Revision in the criteria for nominating directors on the Board and persons as Key Managerial Personnel ("KMP") / SMP;
- Introducing a clause pertaining to cessation of directors, KMPs and SMPs; and
- Introducing a time frame of three years for periodic review of the NR Policy.

B) Risk Management Policy:

The Risk Management Policy was last revised by the Board, at its meeting held on 5th August, 2024 based on the recommendations of the Risk Management Committee. The existing Risk Management Policy ("RM Policy") was reviewed in light of amendments to the Listing Regulations from time to time and the practices being followed in the Company. Amendments to the Policy were made such as:

- Aligning the policy with the actual practice wrt to identification, assessment and evaluation of risks, and implementation of mitigation measures.
- The classification of risks specifically contains cyber risks as mentioned in Regulation 21(4) of the Listing Regulations.
- Included the objective and purpose of the Risk Management framework which is in line with Schedule

II to the Listing Regulations especially w.r.t. Business Continuity Plan.

- The existing mechanism of reporting process of risk review report is explained.
- Roles and responsibilities of Risk Management Committee have been aligned with the Listing Regulations.
- The classification of risks has been appended to the policy document to provide more clarity on the nature of risks covered.

23. Meetings of the Board and Committees:

During the year under review, five Meetings of the Board of Directors and five meetings of the Finance-cum-Audit Committee were held. The composition of Board and Committees along with details of attendance is mentioned in Corporate Governance Report.

24. Details of establishment of vigil mechanism for Directors and Employees:

Pursuant to the provisions of Section 177(9) of the Act read with Regulation 22(1) of the Listing Regulations, the Company is required to establish an effective vigil mechanism for directors and employees to report genuine concerns. The Company has a Vigil Mechanism / Whistle Blower Policy in place to deal with instances, if any, of the fraud, mismanagement, misappropriations, if any and the same is placed on the Company's website. The details of the policy as well as its web link are mentioned in the Corporate Governance Report.

25. Reporting of fraud by Auditors:

During the year under review, the Statutory Auditors of the Company have not reported any instance of fraud to the Board of Directors under Section 143 (12) of the Companies Act, 2013, including rules made thereunder.

26. Disclosure as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

During the year your Company has complied with provisions relating to the constitution of Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (as amended from time to time). Necessary disclosures with respect to above-mentioned Act are given in the Corporate Governance Report of the Company.

27. Secretarial Standards of ICSI:

During the year under review, your Company has complied with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government.

28. Particulars of loans, guarantees or investments under Section 186 of the Act:

Particulars of loans given, investments made, guarantee given and securities provided (if any) along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the standalone financial statements.

29. Particulars of contracts or arrangements with related parties:

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

All Related party transactions were placed before the Finance-cum-Audit Committee and also the Board of Directors for approval. Prior omnibus approval of the Finance-cum-Audit Committee is obtained and a statement giving details of transactions, is placed before the Finance-cum-Audit Committee meeting, as mandated. The Company has developed a mechanism for identification of related party transactions and the Company is also having the system of monitoring of such transactions.

Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions of the Company as approved and revised by the board from time to time in line with the amended provisions of the Act and Listing Regulations has been uploaded on the Company's website.

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto have been disclosed in this annual report.

30. Managerial Remuneration:

Details as required pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in Corporate Governance Report.

31. Risk management (Risk Assessment & Minimization Procedure):

The Board of Directors has constituted a Risk Management Committee. Your Company has implemented a mechanism for risk management and formulated a Risk Management Policy. The details of such Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report.

32. Directors' Responsibility Statement:

Pursuant to Section 134 (3) (c) of the Companies Act, 2013, your Directors confirm 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 Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. The Directors had prepared the annual accounts on a going concern basis;

e. The Directors, have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were 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.

33. Auditors:

(a) Statutory Auditors:

M/s Parikh Mehta & Associates, Chartered Accountants, Vadodara (Firm Registration Number 112832W) were appointed as statutory auditors of the Company, in the 60th Annual General Meeting ("AGM") held on 27th September, 2022, for a term of three consecutive years, to hold office from the conclusion of 60th AGM until the conclusion of the 62nd AGM of the Company. Pursuant to the provisions of Section 139 of the Companies Act, 2013 ("Act") read with the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, the Company can appoint or reappoint an audit firm as statutory auditors for not more than 2 (two) terms of up to 5 (five) consecutive years each. The first term of the present Statutory Auditors is expiring on the conclusion of ensuing AGM i.e. 62nd AGM of the Company.

Based on the recommendation of the Finance-cum-Audit Committee, the Board of Directors at their meeting held on 21st May, 2024, approved the reappointment of M/s Parikh Mehta & Associates as the Statutory Auditors of the Company to hold office for a second term of one year from the conclusion of 62nd Annual General Meeting until the conclusion of the 63rd Annual General Meeting of the Company to be held for the financial year 2024-25.

Accordingly, an item is proposed in the Notice of 62nd AGM for appointment of M/s Parikh Mehta & Associates as the Statutory Auditors of the Company to hold office for a second term of one year from the conclusion of 62nd Annual General Meeting until the conclusion of the 63rd Annual General Meeting of the Company to be held for the financial year 2024-25. The Boards recommends their appointment to the Members.

(b) Cost Auditors:

In terms of the Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost accounting records and get them audited every year.

The Board of Directors of your Company, on the recommendations made by the Finance-cum--Audit Committee, has approved appointment of M/s Dhananjay V Joshi & Associates (Firm Registration No. 000030), Cost Accountant, Pune as the Cost Auditors of your Company to conduct the audit of cost records for the Financial Year 2024-25. The remuneration proposed to be paid to the Cost Auditor is placed for your ratification at the ensuing 62nd Annual General Meeting. The Cost Audit report for the F.Y. 2023-24 was filed within stipulated time. The Board recommends ratification of remuneration of ₹ 4,40,000/- per annum plus applicable taxes and certification fee, as mentioned in the Notice of 62nd Annual General Meeting.

(c) Internal Auditors:

Your Company has appointed M/s K C Mehta & Co. LLP, Chartered Accountants, Vadodara, (Firm Registration No. 106237W/W100829) as Internal Auditors of Baroda & Sikka Unit for Financial Year i.e. 2024-25.

(d) Secretarial Auditors & Secretarial Audit Report:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed CS Niraj Trivedi, Practicing Company Secretary, Vadodara, (CP No. 3123) to undertake the Secretarial Audit of the Company for the financial year 2023-24. The Report of the Secretarial Auditor is enclosed as Annexure B.

34. Auditors' Report:

There are no comments/ observations, reservations or adverse remarks in the Auditors Report and Secretarial Audit Report and hence no clarifications need to be given on the clean report.

35. Annual Return:

The Annual Return of 2023-24 in prescribed Form No. MGT-7, as required under Section 92(1) of the Companies Act, 2013 read with Rule 11 of the Companies (Management and Administration) Rules, 2014 will be filed and shall be placed on the Company's Website at https://www.gsfclimited.com/sebi-listing-regulations.

36. Change in the nature of business:

There has been no change in the nature of business during the year under review.

37. Other disclosures:

a) Buyback of securities: The Company has not bought back any of its securities during the year under review.

b) Sweat equity: The Company has not issued any Sweat Equity Shares during the year under review.

c) Bonus shares: No Bonus Shares were issued during the year under review.

d) Employees' stock option plan: The Company has not provided any Stock Option Scheme to the employees.

38. Human Resources:

Your Directors are happy to acknowledge that employees of the Company have been key drivers in implementing ideas, polices, cultural and behavioral aspects of the organization and ultimately with their outstanding performance has helped the Company to realize its objectives. Your Directors are happy to place on record their appreciation for highly potential, consistent and ethical employees for their remarkable contribution to the Company. Industrial Relations have remained cordial during the period under report.

39. Proceedings pending under the Insolvency and Bankruptcy Code:

There are no such proceedings or appeals pending under Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year and at the end of the financial year.

40. The details of difference between amount of the valuation done at the time of one time Settlement and the valuation done while taking loan from the Banks or Financial Institutions:

No such instance of One-time settlement or valuation was done while taking or discharging loan from the Banks/Financial institutions occurred during the year.

41. Acknowledgements:

Your Directors place on record their appreciation for the overwhelming co-operation and assistance received from the Government of Gujarat, Government of India, Bank of Baroda and other Banks and agencies. Your Directors also wish to express their gratitude to the investors for their continued support and faith reposed in the Company.

For and on behalf of the Board

Sd/-

Place: Vadodara
Date: 28/08/2024

Raj Kumar, IAS
Chairman
(DIN: 00294527)

ANNEXURE "A" TO BOARD'S REPORT

ANNUAL REPORT ON CSR ACTIVITIES

1. **Brief outline on CSR Policy of the Company:**

   GSFC is committed to integrate its business values, ethics and professional skills to meet the expectations of all our stakeholders by developing, encouraging and supporting various social and economic initiatives, without any duplication of government policies, through our industrial expertise for Sustainable Development.

   It may be kindly noted that, GSFC has been supporting social causes since decades and much before it was mandated by way of CSR under The Companies Act, 2013.

2. **Composition of CSR Committee:**

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings held during the year	Number of meetings attended during the year
1	Shri Mukesh Puri (upto 01.02.2024)	Chairman	**N.A.**	**N.A.**
	Shri Kamal Dayani (w.e.f. 01.02.2024)		**1**	**1**
2	Dr Sudhir Jain	Member	**1**	**1**
3	Shri Tapan Ray	Member	**1**	**1**
4	Shri J P Gupta	Member	**1**	**1**

3. Provide 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: https://www.gsfclimited.com/companys-act-listing-agreement

4. Provide 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

5. (a) Average net profit of the company as per section 135(5).: Rs.1,06,841.84 lakhs

FY	Net Profit (Amount in Lakhs)
2020-21	42,903.35
2021-22	1,26,114.39
2022-23	1,51,507.77
Average Net Profit	**1,06,841.84**

   (b) Two percent of average net profit of the company as per section 135(5):

   Rs.21,36,84,000/- (2% of Rs.**1,06,841.84** lakhs)

   (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Not applicable

   (d) Amount required to be set off for the financial year, if any: Rs.2,06,83,960/-

   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:

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
1	2021-22	2,06,83,960	2,06,83,960
Total		2,06,83,960	2,06,83,960

   (e) Total CSR obligation for the financial year (7a+7b-7c).: Rs. 21,36,84,000/-

6. (a) Amount spent on CSR Projects (both ongoing projects and other than ongoing projects):
Details of CSR amount spent against **ongoing projects** for the financial year:

Sl. No.	Name of 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.).	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	GSFC UNiversity	Education	Yes	Gujarat	Vadodara	4,50,00,000	2,10,00,000	2,80,09,259	No	GES	CSR00004136
2	Development of NET				Surat	1,50,00,000	-	1,50,00,000	No	NET	CSR00010508
3	Smart Aanganwadi	Nutrition			Vadodara, Jamnagar	1,48,32,000	-	1,48,32,000	No	SVADES	CSR00002452

Details of CSR amount spent against **other than ongoing projects** for the financial year:

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			Name	CSR registration number
1	Schools run by GSFC	Education	Yes	Gujarat	Vadodara, Kosamba	1,69,47,918	Yes		
2	GSFC University	Education	Yes	Gujarat	Vadodara	6,70,00,000	No	GES	CSR00004136
3	Drinking water t nearby villages	Safe Drinking water	Yes	Gujarat	Vadodara	22,32,733	Yes		
4	Support to local community	Rural Development Projects	Yes	Gujarat	Vadodara, Jamnagar	2,47,76,280	No	SVADES	CSR00002452

(b) Amount spent in Administrative Overheads: Not applicable
(c) Amount spent on Impact Assessment, if applicable: Not applicable
(d) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. **13,51,58,781**/-
(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer	Name of the Fund	Amount	Date of transfer
13,51,58,781	**5,78,41,259**	26.04.2024	Not applicable	Not applicable	Not applicable

(f) Excess amount for set off, if any

Sr. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	21,36,84,000
(ii)	Total amount spent for the Financial Year	**13,51,58,781**
(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	Not applicable
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

7. Details of Unspent CSR amount for the preceding three financial years: Not applicable

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.	
Not applicable							

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

☑ No ☐ Yes

Furnish the details relating to the asset so created or acquired through CSR spent in the financial year

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR Amount spent (Rs.)	Details of Company/ Authority/beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered address
NIL							

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Ongoing projects and phase wise payments towards the same.

Place: Vadodara Date: 28/08/2024	Sd/- (Managing Director) (Chairman CSR Committee) DIN: 05351774

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2024

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

To,
The Members
GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED
CIN: L99999GJ1962PLC001121
P.O. Fertilizernagar,
Vadodara – 391750.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Gujarat State Fertilizers & Chemicals Limited ("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 the Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the **financial year ended on 31st March, 2024,** 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, 2024 according to the provisions of:-

(i) The Companies Act, 2013 (the Act) and the Rules made thereunder (Including any statutory modification (s) or re-enactments (s) thereof, for the time being in force);

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder (Including any statutory modification (s) or re-enactments (s) thereof, for the time being in force);

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder (Including any statutory modification (s) or re-enactments (s) thereof, for the time being in force);

(iv) Foreign Exchange Management Act, 1999 (FEMA) and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB) (Including any statutory modification (s) or re-enactments (s) thereof, for the time being in force);

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') (Including any statutory modification (s) or re-enactments (s) thereof, for the time being in force): -

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

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

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **– Not applicable to the Company during the Audit Period**;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 – **Not applicable to the Company during the Audit Period**;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;- **Not applicable to the Company during the Audit Period**;

(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;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 – **Not applicable to the Company during the Audit Period**;

(h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 – **Not applicable to the Company during the Audit Period**; and

(vi) **Other applicable laws**: Based on the information provided and the representation made by the Company and its officers and also on the review of the compliance reports taken on record by the Board of Directors of the Company, in our opinion, adequate systems and process exist in the Company to monitor and ensure compliances under other applicable Acts, Laws and Regulations as applicable to the Company.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meeting;

(ii) The Listing Agreements entered into by the Company with BSE Limited (BSE) and National Stock Exchange of India Ltd. (NSE) read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

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

We further report that:-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provision of the Act.

Adequate notice is given to all the 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.

Decisions at the Meetings of the Board of Directors of the Company were carried through on the basis of unanimously and / or requisite majority. There were no dissenting views by any member of the Board of Directors during the period under review.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

We further report that during the audit period, no action or any events having a major bearing on the Company's affairs in pursuance of above referred Laws, Rules, Regulations and Guidelines, Standards etc.

Date : 24TH August, 2024
Place : Vadodara

SIGNATURE : **Sd/-**
NAME OF PCS : **NIRAJ TRIVEDI**
C.P. NO. : **3123**
P R. NO. : **1014/2020**
UDIN : **F003844F001041232**

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

"Annexure – A"

To,
The Members
GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED
CIN: L99999GJ1962PLC001121
P. O. Fertilizernagar,
Vadodara – 391 750.

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

1. Maintenance of the 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 audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of the Corporate and other applicable Laws, Rules, Regulations and Standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Date : 24TH August, 2024
Place : Vadodara

SIGNATURE : **Sd/-**
NAME OF PCS : **NIRAJ TRIVEDI**
C.P. NO. : **3123**
P R. NO. : **1014/2020**
UDIN : **F003844F001041232**

ANNEXURE "C" TO BOARD'S REPORT (Contd..)

Conservation of energy, technology absorption and foreign exchange earnings and outgo Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014.

A CONSERVATION OF ENERGY

Measures taken at Fertilizernagar, Vadodara Unit:

1) **Utilization of ejector J1001 to generate LPS from excess LLPS of Melamine section in Melamine-III plant.**

Available unused ejector J1001 in Melamine section utilized to generate LPS (6.2K) from excess LLPS (3.5K), available and being condensed. This consequently reduced HP steam import requirement, which is let down for its utilization as LPS (6.2K) in Melamine section, leading to reduction in NG consumption at Steam generation boilers. It resulted into annual NG saving of 12.80 Lacs SM^3 (₹ 570.95 Lacs).

2) **Provision of VFD for blower (6011-B01) in Nylon-6 II Plant.**

Due to higher rated capacity of N_2 circulation blower (6011-B01), suction damper was kept in throttled condition (25%), which indicated margin available for reduction in head generation. To achieve power saving, VFD installed to control flow rate and head as per the requirement. It resulted into annual power saving of 2.88 Lacs unit (₹ 31.32 Lacs).

3) **Bypass of Benzene Rectification column (K-70) in Anone Plant, CEP.**

Based on improvement in quality of Benzene received, distillation of benzene was not found required. Bypassing of Benzene distillation column resulted in less steam consumption, leading to reduction in NG consumption at Steam generation boilers. It resulted into annual NG saving of 15.36 Lacs SM^3 (₹ 685.14 Lacs) and annual power saving is 0.53 Lacs unit (₹ 5.76 Lacs).

4) **Use of efficient lighting at Vadodara unit.**

About 1400 various types of conventional lighting fittings were replaced by latest LED type of fittings for saving of power besides upgradation of lighting system. It resulted into annual power saving of 6.146 Lacs unit (₹ 66.84 Lacs).

5) **Up-gradation of Eddy current controller with VFD in 325-MM-4 draw off roller motor (1.5kW) at Nylon-6 I plant.**

Eddy current motor was used in Draw off roller in Compounding section of Nylon-6 I plant. It was upgraded with use of VFD and induction motor. It resulted into annual power saving of 0.1 Lacs unit (₹ 1.09 Lacs).

Above mentioned measures resulted into aggregate annual saving at a rate of 9.66 Lacs units Power (₹ 105.02 Lacs) and 28.16 Lacs SM^3 NG (₹ 1,256.10 Lacs).

Measures taken at Sikka Unit:

1) **In order to achieve energy saving, following major steps were carried out during the F.Y. 2023-24:**
By Energy Efficient Lighting

1. Replacement of 160 Nos. 150 Watt MH Lamps by 100 Watt LED Flood Lights.
2. Replacement of 130 Nos. 125 Watt HPMV Lamps by 35 Watt LED Lamps.
3. Replacement of 95 Nos. 70 Watt MH / HPMV Fittings by 35 Watt LED Flood Lights.
4. Replacement of 140 Nos. 50 Watt Tube light fittings by 20 Watt LED Tube lights.
5. Replacement of 60 Nos. 250 Watt HPSV fitting by 100 Watt LED Flood Light fitting.
6. Replacement of 285 Nos. 70 Watt MH / HPMV fitting by 27 Watt LED Well glass fitting.

Above mentioned measures resulted into aggregate annual saving at a rate of 2.23 Lacs KWH Power (₹ 21.74 Lacs @₹ 9.75 / KWH).

Measures under consideration at Fertilizernagar, Vadodara Unit:

1) **Use of vacuum pumps in place of MP steam ejectors in AS-I Plant.**

Utilization of vacuum pumps in place of ejectors to generate desired vacuum in crystallizers of AS-I plant will lead to stoppage of MP steam consumption by ejectors. Subsequently, it will reduce NG consumption at Steam generation boilers. However, this will lead to additional power consumption for vacuum pumps. Based on steam reduction, anticipated annual NG saving is 3.2 Lacs SM^3 and additional anticipated power consumption is about 3.58 Lacs unit. Anticipated net annual saving is ₹ 103.80 Lacs.

2) **Heating of liquid Ammonia by utilizing heat of vapor ammonia at AST.**

It is proposed to utilize heat of vapor ammonia available at compressor discharge to heat liquid ammonia from -33°C to -12°C, before supplying to consumer header, by installing new heat exchanger. It will reduce MP steam requirement in existing Ethylene Glycol based Ammonia heater. Anticipated annual NG saving is 2.67 Lacs SM^3 (₹ 119.10 Lacs).

3) **Replacement of steam ejector of flash cooler of PA Plant.**

It is proposed to install LP steam based energy efficient ejectors in place of existing MP steam based ejector to utilize surplus LP steam from Ammonia-IV Plant. It will result into reduction in steam generation load on Steam generation boilers. Anticipated annual NG saving is 6.4 Lacs SM^3 (₹ 285.48 Lacs).

4) **De-superheating of LP Steam feed to Concentrator calendria of PA Plant.**

Based on operating pressure of Concentrator calendria, it is proposed to install a de-superheater in PA plant so that available heat of LP steam supplied from grid can be utilized to generate additional LP steam within PA plant. It will result into reduction in steam generation load on Steam generation boilers. Anticipated annual NG saving is 2.34 Lacs SM^3 (₹ 104.38 Lacs).

Measures under consideration at Sikka Unit:

1) **By Energy Efficient Lighting**

   1. Replacement of 50 Nos. 150 Watt MH Lamps by 100 Watt LED Flood Lights.
   2. Replacement of 100 Nos. 125 Watt HPMV Well Glass Fittings by 35 Watt LED Well Glass Fittings.
   3. Replacement of 50 Nos. 250 Watt HPSV Lamps by 100 Watt LED Lamps.
   4. Replacement of 300 Nos. 70 Watt MH Lamps by 27 Watt LED Lamps.
   5. Replacement of 100 Nos. 50 Watt Tube light fittings by 20 Watt LED Tube lights in Indoor Buildings.

B CONSERVATION OF RAW MATERIAL AND CHEMICALS

Measures taken at Fertilizernagar, Vadodara Unit

1) **Recovery of process water in PA plant.**

   Process water utilized in various sections of PA plant i.e. Gland cooling of pumps, cooling of fan bearings, blowers etc. is recovered in collection pit in place of transferring to chalk pond via waste water sump. Recovered water is being transferred to Utility plant for utilizing as make-up in cooling tower of other GSFC plants. It resulted into annual saving of 82500 m^3 of process water (Rs. 28.5 Lacs).

Measures under consideration at Fertilizernagar, Vadodara Unit:

1) **Condensate recovery at PA Plant.**

   It is proposed for provision of pumping steam traps outlet for recovery of condensate from Concentrator Calendria of PA plant and exporting it to Utility plant for re-utilization as DMW. This shall prevent Chalk pond water loading. Cooling water treatment at Cooling Tower will be changed from chemical dosing to non-chemical treatment, called Bac Comber system. Combined anticipated reduction in fresh DMW requirement is 1.2 lac MT/year (Rs.120 Lacs).

2) **Provision of a Liquid Oxygen Storage Vessel at ASU Plant, Capro-II.**

   Pure oxygen is vented as same is in excess. It is under consideration to erect storage facility and tankers / cylinders filling facility. Anticipated annual saving is Rs. 87.5 lacs.

ANNEXURE "C" TO BOARD'S REPORT (Contd..)

TOTAL ENERGY CONSUMPTION AND ENERGY CONSUMPTION PER UNIT OF PRODUCTION

FORM-A

Form for disclosure of particulars with respect to Conservation of Energy: 2023-24

A. POWER AND FUEL CONSUMPTION

PARTICULARS	2023-24	2022-23
1. Electricity		
A. PURCHASE		
UNIT: MWH	264669	361275
AMOUNT ₹ in Lacs	28785	35216
Rate ₹/KWH	10.88	9.75
B. Own Generation		
Unit: MWH	129287	42228
KWH Per Ltr. of Fuel/Gas	7.43	7.08
Cost ₹/KWH	5.94	9.46
2. NATURAL GAS		
Quantity in '000 SM^3	175789	152988
Amount ₹ in Lacs	78412	87479
Average Rate 1000/SM^3	44606	57180

C. TECHNOLOGY ABSORPTION

EFFORTS MADE IN TECHNOLOGY ABSORPTION

As per enclosed Form - B

D. FOREIGN EXCHANGE USED AND EARNED: 2023-24

Foreign Exchange Outgo :

	₹ Lakhs
(i) C.I.F. VALUE OF IMPORTS	
(a) Raw Materials	197311.26
(b) Stores & Spares	1893.03
(c) Capital Goods and High Sea Purchases	0.00
(d) Stock In Trade	48586.74
TOTAL (i)	**247791.03**
(ii) EXPENDITURE IN FOREIGN CURRENCY	
(a) Interest	**0.00**
(b) Technical Asstt./Know How	**1349.64**
(c) Others	**94.54**
TOTAL (ii)	**1444.18**
TOTAL (i) + (ii)	**249235.21**

Foreign Exchange Earned :

FOB VALUE OF EXPORT OF	₹ Lakhs
Caprolactam	154.32
Hydroxyl Amine Sulphate Crystal	24.27
Melamine	13731.79
Methyl Ethyl Ketoxime	2676.09
Nylon	30.93
TOTAL	**16617.40**

TOTAL ENERGY CONSUMPTION AND ENERGY CONSUMPTION PER UNIT OF PRODUCTION (Contd.)

(B) CONSUMPTION PER UNIT OF PRODUCTION

Sr. No.	Product	Power		Steam		Natural Gas	
		2023-24 KWH	2022-23 KWH	2023-24 MT	2022-23 MT	2023-24 SM^3	2022-23 SM^3
1	Ammonia	367	391	-1.266	-1.334	883	889
2	Sulphuric Acid	31	31	-0.789	-0.819	0.252	0.069
3	Phosphoric Acid	301	314	1.362	1.427	0.795	1.803
4	Urea	178	185	1.448	1.488	0.000	0.000
5	ASP	45	46	0.055	0.067	8.1	7.788
6	Melamine (Expn)	819	890	5.399	6.386	187	193
7	Caprolactam (Exp.)	114	109	0.383	0.563	0.000	0.000
8	Nylon – 6	688	717	1.668	1.815	-	-
9	DAP (SU)	39	45	0.014	0.017	4.694	3.716
10	NPK (10:26:26) (SU)	37	41	0.019	0.023	9.084	9.213
11	NPK (12:32:16) (SU)	40	38	0.024	0.020	9.364	7.729
12	NPK (20:20:0:13) (APS) (SU)	45	47	0.025	0.025	12.049	12.621

* -ve indicate Export from Plants.

** Previous Year's figures have been re-grouped wherever necessary.

FORM-B

Form for disclosure of particulars with respect to Technology Absorption: 2023-24

Research & Development (R&D):

(1) SPECIFIC AREAS, IN WHICH R&D IS CARRIED OUT:

Research work carried out in areas of Industrial Products & Chemicals, fortified fertilizers, organic & bio fertilizers, waste management; value added product(s), specialized Agri-inputs for improving quality and yield of agricultural output, Quality and process efficiency improvement and assurance. Continual support and expertise provided to all plants and services departments for Corrosion & Material evaluation, Failure investigation of components & machinery, microbial activity & corrosion monitoring of cooling water.

(2) BENEFITS DERIVED:

(A) Development of New Products/New Processes:

1. Optimal crop growth requires adequate nutrients in soil and root systems. Prolonged use of phosphatic fertilizers has altered soil conditions, prompting the need for a partial shift to NPK complex fertilizers, which provides a balanced mix of essential nutrients (Nitrogen, Phosphorus, Potassium, Sulphur) tailored to specific crop and soil needs. The R&D is developing new customized NPK fertilizer grades with plans to implement newly developed processes at Sikka unit for introducing new grades of NPK complex fertilizers in product basket.
2. Aimed at expanding the customer base for Caprolactam and promoting the MSME sector and to support Marketing IP initiatives, R&D team is providing training and demonstration for the production of Cast Nylon for engineering components. Cast Nylon can replace metal parts in household applications. The R&D team also guides manufacturers on raw material selection, processes and machinery tosuccessfully integrate Cast Nylon production into their operations.

Research Inputs provided to plants

1. Technical inputs provided regarding bagging temperature, humidity, importance of dust etc. for minimizing caking in APS.
2. Technical support provided to gypsum granulation plant for improving physical properties of Multi Nutri.
3. Support extended to GATL/ Marketing team on artwork of various fertilizer products.

(3) FUTURE PLAN OF ACTION:

1. To develop new grades of bio fertilizers and bio stimulants.
2. To develop new grades of Water Soluble Fertilizers and NPK complex.
3. To develop process for products used in industrial applications considering feedback from Marketing.
4. Research on Microbial methods for waste water treatment.
5. Initiate research on Algae based products for fertilizer applications.

(B) Customization & Market support Services, Plant Support Activities:

1. Root Cause Failure Analysis of 12 components was carried out which has resulted into changes in specification of some MOCs for improving service life, better MoC selection, reduced down time and optimization of process parameters to avoid future failures of similar nature.
2. Insitu metallography at 163 locations on critical equipment of various plants was done for condition monitoring. This has enabled assessment of possible damage as well as monitoring degradation of material operating at high temperature/ stress condition.
3. Corrosion and microbial activity monitoring of cooling tower water of all operating plants supported in efficient running of plants.
4. Ferrography of 20 lube oil samples was carried out which has helped assessment of condition of rotating machinery, oil contamination and oil replacement frequency.
5. Metallurgical input provided to operating plants & other departments for problems related to heat treatment, welding, import substitution, MoC selection, Material compatibility study etc.

(4) EXPENDITURE ON RESEARCH & DEVELOPMENT:

		₹ in Lakhs
(a)	Capital	59.07
(b)	Recurring	1274.28
(c)	Total	1333.35
(d)	Total R & D Expenditure as a percentage of Gross Sales	0.15%

Technology Absorption, Adoption and Innovation:

Technology Absorption

1. Urea-II Revamping Project - Technology is imported and Project is under execution.
2. 400 MTPD Ammonium Sulphate (AS-IV) Project - Technology is developed in-house and Project is commissioned in January, 2024.
3. 20 MTPD HX Crystal Project - Technology is developed in-house and Project is under execution.
4. 600 MTPD Sulphuric Acid (SA-V) Project - Technology is indigenous and Project is under execution.

Technology Adoption

1. Based on R&D process, a trial production of 350 MT of 9:24:24 grade NPK complex was taken at Sikka Unit.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

MACRO-ECONOMIC FRAMEWORK STATEMENT 2023-24

Overview of the Economy:

During FY 2023-24, the global macroeconomic situation remained complex. Despite ongoing uncertainty due to geopolitical events, supply chain challenges seemed to have improved. Consumer price inflation in most Advanced Economies (AEs) showed signs of moderation. Additionally, global growth exhibited recovery, as indicated by the expansionary zone of the global composite Purchasing Managers' Index (PMI) since February 2023.

The policy interventions implemented in 2022-23 to mitigate the impact of rising commodity prices due to geopolitical developments, along with expansionary fiscal measures during the pandemic, have left a lasting legacy. However, recent signals of rate cuts by major central banks in 2024 have eased market expectations. As a result, equity markets have seen gains, while bond yields have decreased.

Economic growth in India:

The Indian economy has shown resilience and maintained strong macroeconomic fundamentals. The IMF revised its growth projection for India in FY2023-24 to 6.7%, up from the previous estimate of 6.3% in October 2023. This upward revision reflects growing global confidence in India's economic strength, even as the global growth projection for 2023 remains unchanged at 3%.

India's real GDP grew by 8.1% and 8.2% in the first two quarters of FY 2023-24 (as per the provisional estimates), exceeding the 8% mark. Among major advanced and emerging market economies, India recorded the highest growth during this period. Domestic demand for consumption and investment, along with the government's focus on capital expenditure, were significant drivers of GDP growth. On the supply side, both the industry and services sectors played crucial roles in driving growth during H1 of FY2023-24.

Real GDP in Q3 of 2023-24 is estimated to grow by 8.6% quarter-on-quarter as per the provisional estimates, again crossing the 8% mark. High-Frequency Indicators (HFIs) indicate sustained economic activity. PMI Manufacturing remained in the expansionary zone, reaching 54.9 in December 2023. Index of Industrial Production (IIP) and Index of Eight Core Industries (ICI) showed robust growth in manufacturing. PMI Services also remained in an expansionary zone for the past 29 months. Services sector sentiment remains upbeat, driven by the tourism and hotel industry. Other HFIs like passenger traffic, e-way bills, and electronic toll collection (ETC) reflect healthy domestic economic activity.

In three out of four quarters of FY 2023-24 India's GDP growth has exceeded the 8% mark. In Q4 of FY 2023-24 the growth in Real GDP has been 7.8% as per the provisional estimates. Overall, India's real GDP grew by 8.2 per cent (as per Provisional Estimates of National Income) in FY 2023-24, as compared to the growth rate of 7.0% in previous financial year.

FY 2023-24 marks a milestone with total gross GST collection of ₹ 20.18 lakh crore exceeding ₹ 20 lakh crore with a 11.7% increase compared to the previous year. The average monthly collection for this fiscal year stands at ₹ 1.68 lakh crore, surpassing the previous year's average of ₹ 1.5 lakh crore.

The RBI Services and Infrastructure Outlook Survey indicates improved demand conditions in Q3 and Q4 of 2023-24 for services and infrastructure businesses. Additionally, the Quarterly Industrial Outlook Survey by RBI shows a positive business climate, with the business expectations index for Q3 of FY 2023-24 improving compared to the previous quarter.

On the demand side, during FY 2023-24, India's economy saw a slight uptick in the share of Private Final Consumption Expenditure (PFCE) in GDP, reaching 60.3% at current prices. Gross Fixed Capital Formation (GFCF) also increased to 30.8% of GDP, supported by government emphasis on capital formation. Capital expenditure for FY 2023-24 stands at Rs. 9.5 lakh crore marking an increase of 28.2% on y-o-y basis. However, exports' share in GDP is expected to decline to 21.8% due to a global demand slowdown.

On the supply side, during FY 2023-24, the agriculture sector is forecasted to grow by 1.4% (at 2011-12 prices) due to erratic rainfall from El Nino effect. Real GVA (at 2011-12 prices) in manufacturing is expected to increase by 9.9% driven by higher production and sales expansion. Construction sector growth is estimated at 9.9%. Services sector growth is anticipated to moderate to 6.4% in FY 2022-23, primarily due to slower growth in contact-intensive services. However, Financial, Real Estate and Professional Services saw growth of 8.4% due to increased housing demand.

Agriculture:

The growth rate for India's agricultural sector which supports more than 42% of its population was seen at 1.4% in FY 2023-24 as compared to a growth rate of 4.7% observed in FY23. The reason for decline in agricultural sector, which is estimated to constitute 18.2% of GDP was attributed to low food grain production on account of the El Nino phenomenon causing erratic rainfall.. Despite challenges posed by the global health crisis and variability in climate conditions, the sector has demonstrated remarkable tenacity and resilience, contributing significantly to India's economic recovery and development.

Over the past decade, the budget allocation for the Ministry of Agriculture and Farmers' Welfare has seen a significant increase. From ₹ 27,662.67 crore in 2013-14, it has surged to ₹ 1,25,035.79 crores in the Budget Estimate for 2023-24, marking a more than fivefold increase. For maintaining and enhancing productivity and resilience, ₹1.52 lakh crore has been allocated for farming and allied sectors in the Union Budget 2024-25 declared on 23rd July 2024.

Total food grain production in 2023-24 is estimated to be 328.9 million tonnes, according to the third advance estimates.

Government Schemes:

For the welfare of farmers, Government of India is implementing various schemes/programmes by increasing production, remunerative returns and income support to farmers. The details are given below:

- **The National Food Security Mission (NFSM)** aims to enhance the production of rice, wheat, and pulses by expanding cultivation areas and improving productivity, alongside restoring soil fertility and bolstering farm-level economies.
- **The Rashtriya Krishi Vikas Yojana (RKVY)** focuses on making farming economically viable by supporting pre and post-harvest infrastructure, with sub-components such as Per Drop More Crop and Crop Diversification Programme.
- **The National Mission on Edible Oil-Oil Palm (NMEO-OP**) seeks to make India self-reliant in edible oils, particularly in the North-Eastern States and A&N Islands, aiming to expand oil palm plantations over the next five years.
- **Pradhan Mantri Kisan Samman Nidhi (PM KISAN)** provides financial assistance to landholding farmer families across the country, offering direct payments into their bank accounts to support agricultural activities.
- **Pradhan Mantri Fasal Bima Yojana (PMFBY)** offers comprehensive crop insurance to protect farmers against natural risks, with significant enrollment and fund allocation in recent years.
- **Pradhan Mantri Kisan Maan Dhan Yojana (PM-KMY)** ensures pension security for vulnerable farmer families, with contributions from both farmers and the central government.
- Institutional credit for agriculture has increased significantly, with a focus on extending concessional credit to all PM-KISAN beneficiaries through **Kisan Credit Cards (KCC).**
- Agricultural mechanization has been prioritized to modernize farming and reduce manual labor, with substantial investments and subsidies for equipment.
- **The Agriculture Infrastructure Fund (AIF)** aims to improve post-harvest management infrastructure and community farming assets through medium to long-term debt financing.
- **The promotion of Farmer Producer Organizations (FPOs**) aims to empower farmers through collective action, with thousands of FPOs registered and supported financially.
- **The Namo Drone Didi** scheme will provide drones to Women Self Help Groups (SHGs) to offer rental services to farmers for agricultural purposes, such as the application of fertilizers and pesticides.
- **Agricultural Technology Management Agency (ATMA)** supports decentralized extension services, providing farmers with the latest technologies and practices through various activities, benefiting millions of farmers nationwide.

Interim Union Budget 2024 on Agriculture Sector:

The Union Budget for 2024-25 was presented by Ministry of Finance on 1 February 2024. Start-ups for agricultural and rural enterprises will be funded by NABARD.

Under the PM-KISAN initiative, 11.8 crore farmers will receive direct financial help. Furthermore, 4 crore farmers would receive crop insurance coverage thanks to the PM Fasal Bima Yojana.

Highlights:

- The government aims to encourage both private and public investment in post-harvest activities.
- The application of Nano-DAP will be extended to cover all agro-climatic zones. A strategic plan under the Atmanirbhar Oilseeds Abhiyaan will be devised to attain self-sufficiency in oilseeds production.
- Additionally, a comprehensive program for the development of the dairy sector will be formulated.
- Efforts will be intensified to implement the Pradhan Mantri Matsya Sampada Yojana, aimed at enhancing aquaculture productivity, doubling exports, and creating more job opportunities.
- There will be an increased allocation of funds for the Blue Revolution, totaling up to ₹ 2,352 crore.
- Similarly, the allocation for the PM Formalisation of Micro Food Processing Enterprises scheme will be raised to ₹ 880 crore.
- The Ministry of Agriculture and Farmer's Welfare has been allocated a budget of ₹ 1.27 lakh crore.
- Direct financial assistance will be provided to 11.8 crore farmers under the PM-KISAN scheme.
- Additionally, crop insurance coverage will be extended to 4 crore farmers through the PM Fasal Bima Yojana.
- Furthermore, the integration of 1,361 mandis under eNAM will support trading volumes amounting to ₹ 3 lakh crore.

Minimum support price (MSP):

The Government of India fixes Minimum Support Price (MSP) for 22 mandated agricultural crops on the basis of the recommendations of the Commission for Agricultural Costs & Prices (CACP), views of State Governments and Central Ministries/Departments concerned. Government in its Union Budget for 2018-19 had announced the pre- determined principle to keep MSP at levels of one and half times of the cost of production. Accordingly, MSPs for all mandated crops *Kharif*, *Rabi* and other commercial crops have been increased with a return of at least 50 percent over all India weighted average cost of production from the agricultural year 2018-19.

i. MSP for Paddy (common) has increased to ₹ 2,183 per quintal in 2023-24 from ₹ 2,040 per quintal in 2022-23.

ii. MSP for Wheat has increased to ₹ 2,275 in FY 2023-24 from ₹ 2,125 per quintal in FY 2022-23.

Food grain Production:

Total food grain production in 2023-24 is estimated to be 328.9 million tonnes according to the third advance estimates issued by the agriculture and farmers' welfare ministry. Foodgrain production in the 2022-23 crop year was pegged at 329.7 million tonnes as per the government's final estimates.

Industry:

The combined Index of Eight Core Industries (ECI) which reflects the core sector output in India, has reported a growth of 7.5% in FY24. Excluding the last two post-Covid years i.e FY22 and FY23, where the growth prints have been perked up by the base factor, this has been the highest growth rate in the current series (base year: 2011-12). Rapid public investments in India's infrastructure is the primary factor behind such an outperformance in the core sector. Except for the oil and the fertilizer industries, all the others have delivered high single or double digit annualized growth in FY24.

The summary of the Index of Eight Core Industries is given below:

i. **Cement** (weight: 5.37%) - The cumulative cement production rose by 9.1% YoY for the Apr-Mar'24 period, higher than the 8.7% in the previous year.

ii. **Coal** (weight: 10.33%) - Coal production increased by 8.7% in March 2024 over 12.1% in March 2023. The cumulative output rose by 11.7% during Apr-Mar'24 over the corresponding period of the previous year.

iii. **Crude Oil** (weight: 8.98%) - Its cumulative index increased by 0.6% during 2023-24 as against a contraction in output in the previous years.

iv. **Electricity** (weight: 19.85%) - Higher demand of power from the household and the commercial sector due to warmer weather have been a factor behind higher power output during the summer months although the average temperatures in March has been relatively mild in North India. The cumulative output increased by 7.0% during FY24 over 8.9% in FY23.

v. **Fertilizers** (weight: 2.63%) - Its cumulative output has risen by 3.7% YoY during FY24 as a whole. The weakness in fertilizer output can be largely attributed to the impact of El Nino and the deficient rainfall in both the kharif and rabi seasons.

vi. **Natural Gas** (weight: 6.88%) - The cumulative index for natural gas rose to 6.1% YoY in FY24 as compared to a mute of 1.6% in FY23. India's demand for gas is on the rise on the back of its status as a cleaner fuel both for household and industrial purposes and it's important that domestic gas sources are harnessed to the extent feasible.

vii. **Petroleum Refinery Products** - Its cumulative index increased by 3.4% YoY only during FY24 vs 4.8% in FY23. Given the high weightage of the refinery sector in India, its weak output has a notable impact on the overall core index. The volatility in global crude prices due to geo-political events and slowdown in global demand have led to lower export demand and a downtrend in petroleum product exports from India

viii. **Steel** (weight: 17.92%) - The annual output growth increased to 12.3% in Apr-Mar'24 vs 9.3% in last fiscal. Among the eight core sectors, steel has seen the highest growth in FY24 driven by buoyant demand from the infrastructure as well as the automotive sector.

Highlights of Union Budget 2024-25

1. Budget 2024-25 focuses on employment, skilling, MSME's and middle class.
2. Prime Minister's package of 5 schemes and initiatives with an outlay of ₹ 2 lakh crore to facilitate employment, skilling and other opportunities for 4.1 crore youth in 5 years.
3. For pursuit of '*Viksit Bharat*', the budget envisages sustained efforts on following 9 priorities for generating abundant opportunities for everyone
    a. Productivity and resilience in Agriculture
    b. Employment & Skilling
    c. Inclusive Human Resource Development and Social Justice
    d. Manufacturing & Services
    e. Urban Development
    f. Energy Security
    g. Infrastructure
    h. Innovation, Research & Development and
    i. Next Generation Reforms
4. **<u>Productivity and resilience in Agriculture:</u>** A provision of ₹ 1.52 lakh crore for agriculture and allied sector announced for current year.

a. Comprehensive review of agriculture research to enhance productivity.

b. Release of 109 high-yielding climate-resilient varieties of 32 field and horticulture crops for cultivation by farmers.

c. Initiative to initiate 1 crore farmers into natural farming with certification and branding support in next 2 years.

d. Establishment of 10,000 need-based bio-input resource centres.

e. Strengthening production, storage, and marketing for self-sufficiency in pulses and oilseeds.

f. Implementation of Digital Public Infrastructure (DPI) in agriculture for coverage of farmers and their lands in 3 years.

5. 1,000 industrial training institutes will be upgraded.
6. Government will formulate a plan, **Purvodaya**, for the all-round development of the eastern region covering Bihar, Jharkhand, West Bengal, Odisha and Andhra Pradesh.
7. For promoting **women-led development**, the budget carries an allocation of more than ₹ 3 lakh crore for schemes benefitting women and girls.
8. A provision of ₹ 2.66 lakh crore for rural development including rural infrastructure made this year.
9. The limit of **mudra loans** will be enhanced to ₹ 20 lakh from the current ₹ 10 lakh.
10. Government to launch a comprehensive scheme for providing internship opportunities in 500 top companies to 1 crore youth in 5 years.
11. Under **PM Awas Yojana Urban 2.0**, housing needs of 1 crore urban poor and middle-class families will be addressed with an investment of ₹ 10 lakh crore.
12. Phase IV of **Pradhan Mantri Gram SadakYojana (PMGSY)** will be launched to provide all-weather connectivity to 25,000 rural habitations.
13. ₹ 1,000 crore venture capital fund to promote space technology in the next 10 years.
14. Major relief to 4 crore salaried individuals and pensioners in income tax.
15. Standard deduction increased from ₹ 50,000 to ₹ 75,000/- for those in new tax regime.
16. Deduction on family pension increased from ₹ 15,000/- to ₹ 25,000/-.
17. Over 58 per cent corporate tax receipts collected under the new regime.
18. Two third of individual income tax payers switched over to new income tax regime.
19. Angel tax abolished for all class of investors to boost start-ups ecosystem.
20. Corporate tax on foreign companies reduced from 40 to 35 per cent to invite investments.
21. 5 per cent TDS on many payments merged to 2 per cent TDS.
22. Capital gain exemption limit increased to ₹ 1.25 lakh per year to benefit lower and middle income classes.
23. Custom duty on X-ray panels, mobile phones & Printed Circuit Board Assembly (PCBA) reduced to 15 per cent.
24. 25 critical minerals fully exempted from customs duties.
25. Precious metals including Gold and Silver to become cheaper, custom duty reduced to 6 per cent.

Pradhan Mantri Janjatiya Unnat Gram Abhiyan

Pradhan Mantri Janjatiya Unnat Gram Abhiyan will be launched focusing on improving the socio-economic status of tribal communities. This initiative aims to provide comprehensive coverage to tribal families in tribal-majority villages and aspirational districts, benefiting 5 crore tribal people across 63,000 villages.

Promotion of MSME's

The budget's focuses on MSME's and labor-intensive manufacturing. A self-financing guarantee fund will offer guarantees up to ₹ 100 crore per applicant, with potential for larger loans. Public sector banks will enhance their internal capacity to assess MSMEs for credit, reducing reliance on external evaluations.

Fertilizer Market Scenario

Agriculture Situation:

Performance of monsoon remained 'Average' with deficit of 6% over Long Period Average (LPA) during the year. Overall country received 820 mm rains against normal precipitation; however its distribution remained erratic, untimely & uneven. Out of 36 metrological subdivision about 29 subdivision, accounting for 73% of land area received Normal to Excess rains. Gujarat received better rains, however, qualitatively its distribution remained erratic throughout monsoon and revival of monsoon in late Sept'23 helped to achieve 18% rains over normal precipitation. After good initial rains, long dry spell during Aug'23, impacted standing *Kharif* crops. However, it's during Sept'23 & extended rains till Mid-Oct helped to fill up major reservoirs & charged soil moisture promising for better Agriculture prospects in *Rabi* season.

Favourable MSP declared by GoI for *Kharif* & *Rabi* crops to the tune of 7-10% motivated farmers for higher plantation. Overall, sowing of crops during the year was registered at 1816 Lakh Ha. with growth of 4% over normal sowing area in the country. Individually, Oilseeds, Sugarcane, Wheat & Coarse cereals recorded substantial growth. In state of Gujarat, sowing remained at par with usual sowing area with rise in area under Cotton, Cumin & Potato. As per third advance estimates, country is likely to achieve 328.9 MMT of food grain production.

Market Scenario:

Forecast of sub-par Monsoon on account of '*El-nino*' had disturbed the market sentiments initially, however subsequent announcement of 'Normal' monsoon instilled confidence in the market.

Country had good agriculture season consistently for past 4 years favouring for higher production & imports of fertilizers as a result, the spill over inventory of fertilizer in the beginning of Financial Year made position quite comfortable.

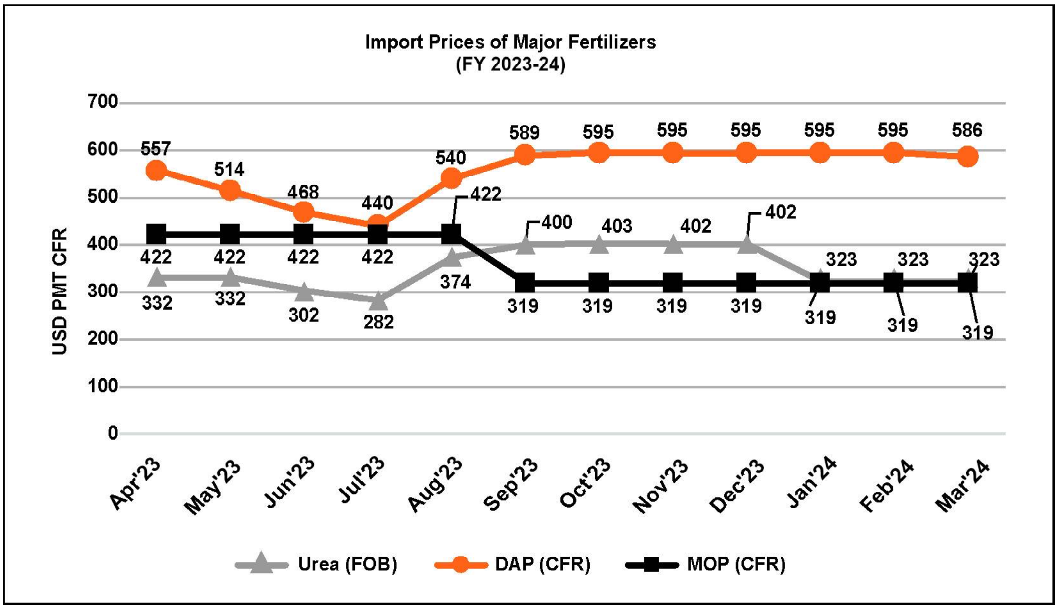
After, initial good rains up to July'23, long dry spell in Aug'23 slowed the demand of fertilizers considerably, however, with revival of monsoon in Sept'23, fertilizer demand picked up well.

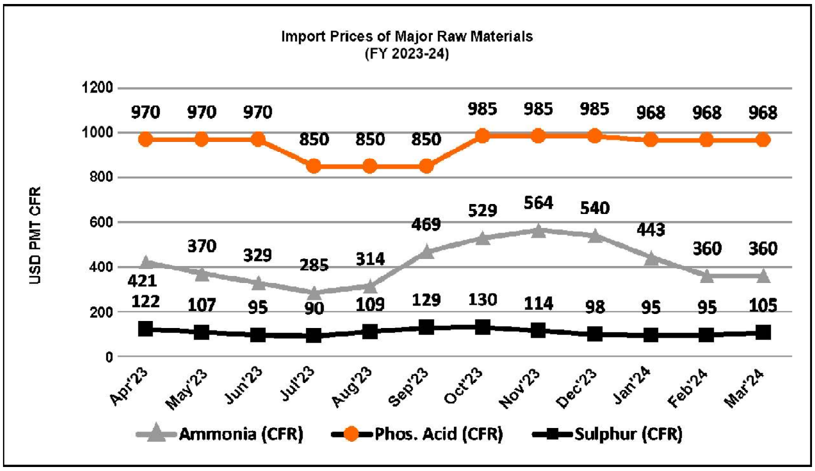
Down trend in international price of fertilizers and raw materials in the starting of the year, motivated fertilizer companies to follow higher production/imports in the country. With a focused objective to build up inventories, GoI had fixed NBS for H1-23/24 in a most reasonable manner, leading to favorable margins for both imports as well as manufacturing. In fact, production of P&K fertilizers had an edge over imports.

Declining trend in Global prices of Fertilizers and Raw Materials continued till Jul'23 and thereafter from mid-Aug'23 onwards, sudden spike in prices in the international market, put break on imports & production of fertilizers in the country. Prices of DAP appreciated in the range of 30-40% within a span of one month. Similarly, prices of PA jumped from USD 850 PMT to USD 985 PMT.

In spite of rising trend in Fertilizer and Raw Material prices on account of declining price trend in previous 6 months, industry feared sharp decline in NBS rates compelling Fertilizer companies to follow restricted production & imports of fertilizers. Higher production during April-Aug'23 helped to compensate gap in availabilities of fertilizers to major extent.

In spite of rise in Global prices, there was a sharp reduction in NBS rates during the Second Half of the financial year in major phosphatic fertilizers, disturbing the industry sentiment & both production & imports slowed down in H2-23/24.





Except APS, availability of P&K fertilizers remained moderate during the 2nd half of the year and were sold at standard MRP, without discounts in the market. However, APS, the most viable product, faced intense cut throat competition throughout the year.

During the peak time of fertilizers, DoF was utmost vigilant to ensure equitable distribution of fertilizers across the country so as to avoid any shortage like situation. State wise availability situation was reviewed on weekly basis by DoF to ensure availability of fertilizers across the states.

Accepting the mandate of GoI positively, industry has refurbished about 2 Lakh retail outlets and made them Model PMKSKs, from where farmers will be able to source their bundle of input requirements and services under one roof.

In order to curb excessive use of Chemical fertilizers and thereby promote balance nutrition, GoI initiated special drives of adopting Organic Farming. Under, PM-PRANAM Yojna, special emphasis has been made for use of Organic sources and curb excessive use of chemical fertilizers so as to keep soil sustainable in long run. GoI has also launched Market Development Assistance (MDA) for marketing of bio-gas slurry based organic fertilizers under GOBARdhan initiative. GoI continued to emphasize promotion & adoption of Nano fertilizers such as Nano Urea & Nano DAP across the country so as to reduce dependence on Global suppliers. During the financial year under review, recently GoI launched NaMo Drone Didi Yojna, to empower women from rural India by providing them training related to Drone through Self Help Groups.

Performance of Fertilizer Industry:

Indication of "Normal" monsoon, comfortable opening inventory, lenient NBS & attractive MSP created conducive business in the country during in the 1st half of the year. However, erratic monsoon with scattered distribution and drastic reduction in subsidy by GoI, kept the margins of fertilizer companies under pressure during H2-FY 2023-24.

During the year under review, production of fertilizers in the country grew by 4% (1.9 MMT). Urea made available through HURL's three Urea units at capacity levels & stabilization of production at Matix fertilizers helped in increasing Urea production by 10% (2.9 MMT) over FY 2022-23. Production of DAP registered decline of 1% & that of NPK grew by 3%. However, production of SSP suffered with decline of 21%. On account of pressure on margins during second half of financial year, production of P&K fertilizers registered a marginal growth of 1% during the year, offsetting gains made in production during first half.

Imports of fertilizers during the year reduced by 6%. With ample availability of Urea in the country throughout the year, GoI was utmost cautious for Imports of Urea. Urea imports reduced by 7%. Due to rise in international prices of P&K fertilizers during second half of the year, margins of fertilizer companies were consistently under pressure. Imports of DAP & NPKS were reduced significantly by 15% & NPKS 19% respectively.

Downward trend in international prices of MOP from USD 422 to USD 319 PMT, helped to increase availability of MOP in the country. Imports of MOP jumped significantly by 54% during the year.

In spite of conducive market environment, sales of fertilizers in the country increased marginally by 2%. Surprisingly, sales of Urea remained in line with last Financial Year. Consumption of DAP increased by 4% & that of NPKs by 10% largely driven by APS. Sales of MOP increased by 1% whereas SSP registered a decline of 9%.

Business Performance of GSFC: FY-2023-24:

Company registered fertilizer sales of 19.09 LMT during the year under review in line with availabilities built up during the year. Sales is higher by 6% as compared to FY 2022-23 (18.01 LMT). Achieved higher Sales of Phosphatic fertilizers made available through BU, SU & Imports (7.57 LMT) in past 3 years.

During the year, imports of DAP made through two vessels to the tune of 1.03 Lakh MT has been handled, dispatched and sold in a record period of less than 30 days. Besides achieving 100% sales of Imported DAP to the channels, the Company also ensured its timely PoS by close of Financial year.

As a part of broader strategies to penetrate in secondary markets like UP and Bihar, the Company introduced coloured variant of APS from our Sikka Unit. Contribution of secondary markets increased to 27% from 22% in aggregate fertilizer sales of GSFC.

Consistently monitored the status of un-cleared PoS stocks across the states & followed with the team on regular basis so as to enable us in receiving admissible subsidies in time and Registered PoS sales to the tune of 18.87 LMT, higher by 9% over FY 2022-23.

Your Company effectively controlled the physical inventories of fertilizers at plant, P-port & field warehouses and maintained consistent follow-up with our team as well as with the dealers to ensure timely recovery of sales proceeds ingover dues substantially during the year.

Future Outlook for Fertilizer Industry:

Higher MSP, better farm out prices coupled with better crop production may prompt farmers for reasonable spending on farm inputs like fertilizers and seeds. IMD, in its pre-monsoon forecast, has predicted “Above Normal” rainfall with 106% Long Period Average (LPA) promises for bright prospects for fertilizer industry in *Kharif*'24.

DoF declared NBS rates for H1-FY 23/24 before 1st April 2024 targeting enough availabilities for the ensuing *Kharif* season, however the NBS rates were not encouraging enough to prompt fertilizer industry to procure material in advance. NBS subsidy on DAP, the most popular fertilizer after Urea was reduced further by 4% taking Industry back to square one.

Global Prices of key raw material and finished fertilizer are diffusing gradually. Prices of imported DAP have reduced considerably from the highs of USD 595 PMT reported in Feb-Mar’24, offering support to Indian fertilizer industry going forward.

Russia-Ukraine War, Middle East and Red Sea crisis continue to impact fertilizer industry. Strong rumours of relaxation in China’s export policy may help to improve Global availability of fertilizer and diffuse prices further.

Country began the year with comfortable stock position in Urea, NPKs, MOP & SSP baring DAP. In case of DAP, the stock situation is likely to aggravate further once demand picks up from May. Non-viability in DAP has prompted fertilizer companies to produce/ import more of NPKs especially APS, has created an oversupply situation in the market. Govt. is likely to be utmost vigilant for building adequate buffer stocks especially that of DAP during the first quarter and assign company wise targets DAP to be supplied in *Kharif*, either through Production or Imports. Non-DAP products like AS /APS continues to face supply pressure on account of current high inventories & suppliers may be constrained to offer long credit & heavy discounts on sales.

Significant increase in Urea production achieved through revival of the old plants will extend great relief to Govt. for its imports. As followed during FY 2023-24, GoI may proportionately curtail Urea imports further in FY 2024-25.

Selling prices of fertilizers are unlikely to get increased, at least in *Kharif*'24 season.

INDUSTRIAL PRODUCT SCENARIO:

Globally, major central banks anticipate the relaxing of monetary policy sooner and are confident that inflation is largely under control. Although the global economy has slowed, the outlook is more optimistic than anticipated. But new problems have surfaced recently. The Russia-Ukraine conflict continues, there are two new wars and arising crisis in the Middle East, tensions between the world’s two largest economies remain significant, and patterns of trade and cross-border investment are shifting.

Despite ongoing uncertainty and challenges, India was able to sail ahead while building its ship. India’s concentration on using technology to accumulate and disseminate tacit knowledge, building high-end manufacturing capacity, and enhancing competitiveness through exports served as the three crucial catalysts that accelerated its growth trajectory and strengthened its economic fundamentals over the last decade.

The GDP growth forecast for FY 2023-24 was raised upward from 7.3% to 7.6% in the second advance estimates, underscoring the Indian economy’s persistent resilience. Various agencies echoed similar sentiments revising the growth estimates of India during the fiscal year closer to 8%. India’s foreign currency reserves reached an all-time high of $645.6 billion on March 29’ 2024. The current account deficit (CAD) fell to 1.2% of GDP in the December quarter of 2023. Positive foreign direct investment (FDI) and foreign portfolio investment (FPI) flows kept the balance of payments (BoP) in surplus.

The RBI’s monetary policy has kept the policy repo rate under the liquidity adjustment facility (LAF) unchanged at 6.50%. Manufacturing is anticipated to retain its pace as profit margins remain stable. Services activity is expected to increase above the pre-pandemic level. Private consumption should increase as rural activity improves and urban demand remains constant. According to the Reserve Bank’s consumer survey, urban families are likely to increase their discretionary spending due to increasing income levels, which bodes well for private consumption growth. Fixed investment prospects remain favourable, with business confidence, strong corporate & bank balance sheets, solid government capital spending, and signs of an upturn in the private capital expenditure cycle.

The company intends to commence production of Hydroxylamine Sulphate Crystal from its new plant having rated capacity of 20 MTPD during second half of the current FY 2024-25. This increased capacity would help company to gain a larger market share by substituting imports. The company has also planned capacity addition in Phosphoric Acid & Sulphuric Acid Plants at Sikka Unit, and 10 MW Electrolyser based Green Hydrogen are progressing as per schedule. The company is targeting to set up chemical complex at Dahej location for manufacturing various products to substitute imports for future growth in chemical segment.

The sales of Industrial products have been impacted during FY 2023-24 in terms of value as the international prices decreased by 20% on a year-over-year basis for Melamine, 14% for Caprolactam, and 12% for Nylon 6 chips, respectively. However, owing to its concentrated strategy and providing of a product mix of diverse grades, the segment was able to reach its ever highest sales volume of Nylon-6 chips. The Industrial Products segment's margin remained under pressure during FY 2023-24 due to elevated raw material prices such as benzene and natural gas, which had a negative influence on its profitability.

RAW MATERIAL PRICES:

The international prices of raw materials had decreased during FY 2023-24 as compared to 2022-23.

The average CFR prices of Phosphoric Acid (PA – P_2O_5) which was USD 1368 per ton P_2O_5 during FY 2022-23 went down to USD 947 (-31%) per ton P_2O_5 during FY 2023-24. As on 31/03/2024, the price of PA was USD 968 per ton P_2O_5.

The average prices of Ammonia decreased during FY 2023-24 as compared to 2022–23. The average CFR prices of Ammonia during 2022-23 was USD 904. It decreased to USD 372 (-59%) per ton during 2023-24. As on 31/03/2024, the price of Ammonia was USD 316 per ton.

The average CFR price of Rock Phosphate, which is mainly derived from price of Phosphoric Acid, decreased in FY 2023-24 as compared to FY 2022-23. The average CFR price of Rock Phosphate during FY 2022-23 was USD 229 per ton. It decreased to USD 150 (-34%) per ton during FY 2023-24. As on 31/03/2024, the price of Rock Phosphate was USD 149 per ton.

The average CFR price of Sulphur decreased during 2023-24 as compared to FY 2022-23. The average CFR price of Sulphur during FY 2022-23 was USD 271.70 per ton. It went down to USD 110.74 (- 59 %) per ton during 2023-24. As on 31/03/2023, the price of Sulphur was USD 96.35 per ton.

The price of Benzene decreased during FY 2023-24 as compared to FY 2022-23. The average CFR price of Benzene during FY 2022-23 was USD 1066.08 per ton, which decreased to USD 947.20 (- 11 %) per ton during FY 2023-24. As on 31/03/2023, the price of Benzene was USD 1063.88 per ton.

Average price of Raw Material products ($ / MT):

Product	2022-23	2023-24	% Increase / Decrease	Prices as on 31/03/2023
Phos. Acid (C & F), P_2O_5	1368	947	(-)31	968
Ammonia (C & F)	904	372	(-)59	316
Rock Phosphate (C & F)	229	150	(-)34	149
Sulphur (C & F)	271.70	110.74	(-) 59	96.35
Benzene (C & F)	1066.08	947.20	(-) 11	1063.88

FINANCIAL PERFORMANCE OF THE COMPANY DURING FY 2023-24:

Particulars	Units	2023-24	2022-23	Change	Change in %	Reason For Change
Trade Receivables Turnover	Times	10.88	12.90	-2.02	-16	
Inventory Turnover	Times	16.69	17.82	-1.13	-6	
Interest Coverage Ratio	Times	234.73	274.46	-39.73	-14	
Current Ratio	Times	4.47	5.17	-0.70	-14	
Debt Equity Ratio	Times	-	-	-	-	
Operating Profit Margin	%	9.61	15.61	-6.00	-38	Operating profit margin declined due to substantially lower subsidy rates and headwinds in Industrial Products market.
Net Profit Margin	%	5.87	11.45	-5.58	-49	Net Profit Margin declined due to lower operating margin YoY.
Return on Net Worth (ROE)	%	4.27	10.94	-6.67	-61	Return on Equity reduced due to lower profitability during the year.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

There exist a robust and comprehensive system of internal controls in place. The internal auditors of the Company comprehensively carry out their audits and their observations/audit queries are being discussed and debated at length by the Finance-cum- Audit Committee. The Finance-cum-Audit Committee of the Company also reviews the follow-up actions and seeks explanation for the open items. The internal control system is so designed that a particular transaction gets filtered at different levels so as to ensure that proper recording of such transaction takes place and no unscrupulous elements get into the system. The Company uses the SAP platform where-in the roles, responsibilities and authorities are well defined and no deviation is allowed without management approval.

TEN YEARS PRODUCT PERFORMANCE RECORD:

The last 10 years' Product-wise performance years is given below:

PARTICULARS	Unit	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
PRODUCTION											
FERTILIZERS	MT	1432315	1389458	1461910	1908828	1665824	1733957	1678958	1507911	1491741	1385857
Ammonium Sulphate	MT	395235	500246	503100	487250	445630	374720	372330	337370	334030	318680
Ammonium Sulphate Phosphate	MT	325980	300380	251330	268730	267140	291940	282360	313860	328430	337930
Di-Ammonium Phosphate	MT	261130	193810	307880	565790	484720	459090	503830	411850	370200	314600
N P K	MT	69600	20550	28870	208730	128120	193150	154220	38340	47650	15460
UREA	MT	377410	371070	362826	370700	332705	405360	361181	406571	411431	399187
CAPROLACTAM	MT	84009	87198	86639	81927	83134	91479	86662	86191	86297	89918
NYLON-6	MT	27291	26794	25623	24455	24296	23887	20215	17421	9885	9400
MELAMINE	MT	43500	47756	52847	38732	29215	14161	15188	14886	15697	14284
ARGON	'000NM3	3369	3564	3294	3325	3116	3574	3319	3549	3581	3611
SALES											
FERTILIZERS*	MT	1440694	1377337	1504194	1945122	1682171	1598428	1604222	1412044	1434684	1320471
Ammonium Sulphate	MT	402892	475917	523891	497430	441335	385952	360555	308214	329778	315926
Ammonium Sulphate Phosphate	MT	327284	279885	264959	299160	249482	293115	262134	299025	290107	334072
Di-Ammonium Phosphate	MT	257859	230822	297765	563510	524410	399309	500999	417820	368874	302666
N P K	MT	69126	20579	46431	214999	141409	184270	130194	35024	46558	14628
UREA	MT	383534	370134	371148	361049	325536	366763	313448	360879	355402	353058
CAPROLACTAM*	MT	59684	57402	60359	58170	58764	65596	63217	63101	66483	68901
NYLON-6	MT	32545	29187	27644	28150	23752	25311	22569	13697	9999	9701
MELAMINE	MT	47448	48487	48452	40173	26234	13953	15298	15341	15096	14283
ARGON	'000NM3	3389	3545	3292	3349	3099	3563	3317	3546	3599	3622

*excluding captive consumption

RISK MANAGEMENT:

Changes in Government policy, currency risk, fluctuation in input prices, increase in NG prices, insufficient availability of natural gas and raw material in the international market have an impact on Company's profitability.

Market may experience frequent changes in the price of domestic Phosphatic Fertilizers depending upon the cost of production of the manufacturers. Further, the resistance from farming community has impacted demand. With sharp increase in NG price, prices of Phosphatic fertilizers would go up. In the current scenario, good and widely distributed rainfall, smooth & comparatively cheaper availability of raw materials and timely reimbursement of subsidy by the Govt. of India have been the key catalysts for the Company to sustain its operations profitably.

In the above likely scenario, the Company is focusing on the efficiency improvement with higher production levels, efficiencies in raw material procurement, increased availability through imports, reduction in marketing & distribution costs, production of various complex grade fertilizers at Sikka and proper product/ segment strategies to maximize the sales to achieve better contribution from its product basket.

To control the financial risks associated with the Foreign Exchange/ Currency rate movements and their impact on raw material prices, the Company has put in place a sophisticated Foreign Exchange Risk Management System. Further the Company has put in –place a digital risk management portal under which each identified risk is categorized, monitored and mitigation procedures are devised and implemented so as to minimise them (risks).

RESEARCH AND PROMOTIONAL ACTIVITIES:

The company has a well-established DSIR approved Research Center established in 1974 at Vadodara complex. A dedicated team of young scientists is diligently engaged in driving innovation and enhancing products, processes, and technologies to align with industry needs and surpass customer expectations. With a diverse range of expertise, the team works on conceptualization of emerging ideas across various sectors, including fertilizers, industrial products, biotechnology, waste utilization, and corrosion &

metallurgy. Furthermore, our R&D facilities at the Vadodara Unit incorporate a demonstration pilot plant, instrumental in validating and optimizing parameters for scaling up novel processes developed at the laboratory level. It also facilitates the manufacturing of new products in small quantities for initial market seeding efforts.

It is widely acknowledged that optimal crop growth necessitates the availability of adequate nutrients within both the soil and root systems. However, the prolonged utilization of phosphatic fertilizers has resulted in significant alterations to soil conditions and chemistry. Therefore, it is imperative to consider a partial transition towards NPK complex fertilizers in addition to conventional DAP formulations. These innovative fertilizers offer a more sustainable solution by providing a balanced combination of essential plant nutrients (Nitrogen, Phosphorus, Potassium) in ratios tailored to specific crop requirements and local soil conditions. Our R&D department is conducting extensive research to develop processes for new grades of customized NPK complex fertilizers. These formulations offer the flexibility to modify nutrient ratios according to the specific requirements of crops and prevailing soil conditions. Furthermore, there are plans to implement these processes at our Sikka unit by introducing new grades of NPK complex fertilizers in near future.

To support marketing-IP initiatives of expanding the customer base for Caprolactam and promoting the MSME sector, our R&D team is providing training and demonstrations on the process for producing Cast Nylon for engineering components. Cast Nylon components can be a viable substitute for metal parts in many household applications. R&D's support extends to guiding potential manufacturers on selecting appropriate raw materials, processes, and machinery to ensure successful integration of Cast Nylon production into their operations.

The Research and Development (R&D) department of our company plays a pivotal role not only in advancing new product and process development but also in delivering essential expertise & services crucial for the seamless operation of our plants. These expertise & services encompass a wide spectrum, including heat treatment, welding, repair procedure, import substitution, material selection, erosion and corrosion monitoring. Throughout the year, R&D team conducted 12 Root Cause Failure Analysis (RCFA) investigations and assessed over 163 critical equipment locations to evaluate potential damage and monitor material degradation under high temperature and stress conditions. These efforts have yielded significant direct and indirect benefits for the organization, ranging from enhanced material selection and reduced downtime to improved repair practices and extended service life of equipment.

GSFC AGROTECH LIMITED (GATL)

GSFC AgroTech Ltd., a wholly owned subsidiary of GSFC was established in the year 2012 with the aim of strengthening agri retail business and at the same time diversify into plant nutrient segment (Non-Bulk), which has a growing market potential in India. GATL through its wide spread retail network offering single stop solution to the farmers by providing reliable Agri-products at reasonable prices and promoting extension services either directly or in association with Government.

GATL manages 270 retail outlets across the state of Gujarat and 14 in Rajasthan in a COCO model. All such outlets are manned by trained Agriculture Graduates / Post Graduates. Besides having full range of chemical fertilizers GATL outlets are supplying host of new generation agro inputs comprising of Bio stimulants, Organic fertilizers, Bio-fertilizers, Micronutrients, Soil conditioners, Liquid Fertilizers, Agro-chemicals, improved Seeds etc., which have a growing market potential.

We consider farmer as our partner and are committed to providing an assured supply of a comprehensive range of agri-inputs of Bulk & Non-Bulk agri-inputs to our customers. We have thus collaborated with various leading agri-input companies such as National Seed Corporation, Coromandel International, Indian Potash Limited, and Chambal Fertilisers and Chemicals Limited, Mahadhan Agri-Tech Ltd etc. to ensure the all-round availability of multi brand products at our retail outlets.

GATL network provides a solid platform to maintain last-mile connectivity with the farmers, facilitate keeping brand visibility in the field, faster mode of DBT compliance and thereby subsidy realization, new product launch etc.

Product innovation is yet another endeavor at GATL. Keeping in view the best interest of the farmer, soil and environment, we are continuously involved in development and launch of newer products and variants.

With a commitment to serve the farmers most effectively, GATL is in constant touch with the latest technology and innovations in the field of agriculture. State-of-the-art Tissue Culture lab which is certified by DBT (Department of Biotechnology, Government of India) has already developed tissue culture protocols for over 10 varieties of fruits, flowers and commercial crops. GATL is also providing a package of agronomical services to the Micro Irrigation Company of Government of Gujarat, M/s GGRC Ltd. GATL has also established itself as a trusted implementation partner with various departments of Government of Gujarat for its farmer welfare schemes launched from time to time.

SAFETY, HEALTH AND ENVIRONMENT:

Safety Management system and Process Safety Management both areas have been strengthened by enhancing control measures during the time period under discussion.

Safety Control has been scaled up by way of additional supervision particularly on contract workers, visitors and vendors. Site safety inspections have been enhanced. Safety checklists have been revisited, revised and updated. Need based hazard and Operability study has been conducted.

External Safety Audit has been conducted in GSFC Vadodara Unit comprising all plants and departments. Onsite Emergency plan has been updated as per the need of the Management of Change.

Shut down and start-ups have been concluded safely during the period under consideration. Tool box talk, Pep talks etc have been suitably increased. Safety trainings to employees, contractors and visitors have been intensified. Fire prevention and Emergency management has been constantly upgraded.

Bronto make Snorkel F54 HDT has been procured and trainings have been imparted to Officers and Staff.

Emergency Control Centre (ECC) has been functional round the clock and is stationed in R&D building. The operational manpower of ECC has been outsourced. Trainings to employees and Contract workers on Safety and Fire prevention have been a regular phenomenon that has attracted more than Ten thousand participants.

The safety initiatives and increased surveillance with greater imposition of Control have shown the impact and GSFC Vadodara has bagged national level award as follows.

1. Awarded WSO Four Star Gold award in August 2023; the felicitation program of which was held in Chennai.
2. Responsible Care (RC) is the global chemical industry's voluntary initiative to drive continuous improvement in safe chemicals management and achieve excellence in environmental, health, safety and security performance. Responsible Care Logo is awarded to chemical industries by Indian Chemical Council (ICC), Mumbai. GSFC has been granted RC Logo Certification for second consecutive term for next 3 years from January 2023 to December 2025.

HUMAN RESOURCES:

Shareholders are requested to refer to point 38 on page no.31 of the Directors Report which forms part of the Annual Report.

For and on behalf of the Board

Sd/-
Raj Kumar, IAS
Chairman
(DIN: 00294527)

Place : Vadodara
Date : 28/08/2024

CAUTIONARY STATEMENT:

Some of the statements made in this "Management Discussion & Analysis Report" regarding the economic and financial conditions and the results of operations of the Company, the Company's objectives, expectations and predictions may be futuristic within the meaning of applicable laws/regulations. These statements are based on assumptions and expectations of events that may or may not materialize in the future.

The Company does not guarantee that the assumptions and expectations are accurate and/or will materialize. The Company does not assume responsibility to publicly amend, modify or revise the statements made therein nor does it assume any liability for them. Actual performance may vary substantially from those expressed in the foregoing statements. The investors' are, therefore, cautioned and are requested to take considered decisions with respect to these matters.

Data sources : *Websites of (1) Ministry of Finance, Department of Economic Affairs, (2) Ministry of Fertilizers & Chemicals, Department of Fertilizers, Govt. of India, (3) Central Statistical Bulletin, (4) FAI, New Delhi, (5) Economic Survey- 2023-24, (6) Fertilizer Market Bulletins and (7) Ministry of Agriculture & Farmers' Welfare, GoI. (7) Union Budget 2024-25 (8) India Meteorological Department (IMD), Government of India.*

CORPORATE GOVERNANCE REPORT

1 THE PHILOSOPHY

Corporate governance is about commitment to values and ethical business conduct by an organization. This includes its corporate and other structures, its culture, policies and the manner in which it deals with various stakeholders. Timely and accurate disclosure of information regarding the financial position, performance, ownership and governance of the company is an integral part of corporate governance. This enhances public understanding of the structure, activities and policies of an organization. Consequently, the organization is able to attract and retain investors and enhance their trust and confidence.

We believe that sound corporate governance practices are critical for enhancing investors' trust and seek to attain business goals with integrity. Our Board of Directors ("Board") exercises its fiduciary responsibilities in the real sense of the term. Our disclosures strive to attain the best practices followed. We also endeavor to enhance Stakeholders' value and respect minority rights in all our business decisions with a long term perspective.

Our corporate governance analogy has its roots in the following canons:

1. Satisfying the spirit of law and not just the letter of law.
2. Transparency and maintenance of a high degree of disclosure levels.
3. Make a clear distinction between personal conveniences and corporate resources.
4. Communicating effectively, in a truthful manner, about how the Company is run internally.
5. Comply with the Law of Land.
6. Having a simple and transparent corporate structure driven solely by business needs.
7. Firm belief that Management is the trustee of the shareholders' capital and not the owner.

The Board is at the core of our corporate governance practice and oversees how the Management serves and protects the long-term interests of all our Stakeholders. We believe that an active, well-informed and independent Board is imperative for ensuring highest standards of corporate governance.

The Company is having an appropriately constituted Board, with each Director bringing in key expertise in their respective professional arena. The Chairman of the Company is a Non-Executive Director and half of the Board consists of Independent Directors. In fact, the Board of GSFC comprises of entirely non-executive Directors except the Managing Director (MD), who is an Executive Director.

There is a proactive flow of information to the members of the Board and the Board Committees enabling discharge of fiduciary duties effectively. The Company has full-fledged systems and processes in place for internal controls on all operations, risk management and financial reporting. Providing of a timely and accurate disclosure of all material, operational and financial information to the stakeholders is a practice followed by the Company. The Company confirms to all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

All the Committees of the Board viz. Stakeholders' Relationship Committee, Finance-cum-Audit Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee, Risk Management Committee are constituted as per requirements of law and have been functioning effectively.

The Company has Code of Conduct ("Code") for the Board of Directors and Senior Management Employees of the Company. The Code emphasizes on ensuring honesty and integrity in all the transactions concerning the Company without any conflict of interest, prevention of insider trading, protection of assets, effective communication etc. The Code is also available on the website of the Company at www.gsfclimited.com.

2 BOARD OF DIRECTORS

COMPOSITION AND CATEGORY OF DIRECTORS :

The composition of the Board of Directors during the year ended 31st March 2024 and till the date of this report is tabulated below:

Sr. No.	Name of Directors	Category
1	Shri Raj Kumar, IAS Chairman (DIN:00294527)	Nominee, Non- Executive, Non-Independent, Non-Rotational Director
2	Shri Kamal Dayani, IAS Managing Director (w. e. f. 01.02.2024) (DIN:05351774)	Nominee, Executive, Non-Independent, Non-Rotational Director
3	Shri Mukesh Puri, IAS (Retd.) Managing Director (till 01.02.2024) (DIN: 03582870)	Nominee, Executive, Non-Independent, Non-Rotational Director
4	Smt. Mamta Verma, IAS (till 01.08.2024) (DIN: 01854315)	Non Executive, Non-Independent, Rotational Director
5	Shri J.P Gupta, IAS (till 05.08.2024) (DIN: 01952821)	Non Executive, Non-Independent, Rotational Director
6	Shri Tapan Ray, IAS (Retd.) (DIN:00728682)	Non Executive Independent, Non-Rotational Director
7	Prof. Ravindra Dholakia (DIN:00069396)	Non Executive Independent, Non-Rotational Director
8	Smt. Gauri Kumar, IAS (Retd.) (DIN:01585999)	Non Executive Independent, Non-Rotational Director
9	Dr. Sudhir Kumar Jain (DIN:03646016)	Non Executive Independent, Non-Rotational Director
10	Shri S.J. Haider, IAS (DIN: 02879522)	Non Executive, Non-Independent, Rotational Director

CHANGES IN COMPOSITION OF THE BOARD OF DIRECTORS BETWEEN 31ST MARCH, 2024 AND TILL THE DATE OF REPORT:

Sr. no.	*Name of Director*	*Change*	*Remarks*
1.	Smt. Mamta Verma, IAS	Resignation	Resigned from the directorship of the Company with effect from 1st August, 2024
2.	Shri J.P. Gupta, IAS	Resignation	Resigned from the directorship of the Company with effect from 5th August, 2024
3.	Shri S.J. Haider, IAS	Appointment as Additional Director	Appointed as Additional Director of the Company with effect from 13th August, 2024

BOARD MEETINGS

During the Financial Year 2023-24, five meetings of the Board of Directors of the Company were held. Attendance at the meetings is detailed below:

Sr. No.	*Dates of Board meeting*	*Board strength*	*No. of Directors present*
1.	*25-05-2023*	*8*	*7*
2.	*08-08-2023*	*8*	*6*
3.	*07-11-2023*	*8*	*6*
4.	*06-02-2024*	*8*	*7*
5.	*18-03-2024*	*8*	*7*
	27-03-2024 (adjourned)	*8*	*8*

Note: The gap between the two board meetings never exceeded 120 days.

The details relating to the names and categories of the Directors on the Board, their attendance during FY 2023-24 at the Board Meetings and the 61st Annual General Meeting, their Chairmanship / Membership in the Committees of other Companies are given below:

Sr. No.	Name	Category	No. of Equity shares of the Company held	No. of Meetings attended@	Attendance at the last AGM	No. of other Directorships/ Memberships	No. of Committees in which Chairman/ Member (Including GSFC Ltd.) Chairman(*)	Member(*)
1	Shri Raj Kumar, IAS Chairman	Nominee Director, Non-Executive Director	0	6	Yes	7	2	0
2	Shri Kamal Chandanlal Dayani, IAS Managing Director	Nominee Director, Executive Director	0	3	NA$	3	0	1
3	Shri Mukesh Gulshanrai Puri, IAS (Retd.) Managing Director	Nominee Director, Executive Director	0	3	Yes	5	-	1
4	Smt. Mamta Verma, IAS	Non Executive, Non Independent	0	3	Yes	9	-	-
5	Shri Jagdish Prasad Gupta, IAS	Non Executive, Non Independent	0	5	Yes	9	-	1
6	Shri Tapan Ray IAS (Retd.)	Non-Executive, Independent Director	0	6	Yes	6	2	4
7	Prof. Ravindra Harshadrai Dholakia	Non-Executive, Independent Director	0	6	Yes	6	3	5
8	Smt. Gauri Kumar IAS (Retd.)	Non-Executive, Independent Director	0	5	No	5	1	3
9	Dr. Sudhir Kumar Jain	Non-Executive, Independent Director	0	4	No	5	2	5

Notes: (i) None of the Directors are *inter se* related to any other Director.
(ii) None of the Directors have any business relationship with the Company.
(iii) None of the Directors received any loans and advances from the Company during the year.
(iv) The Company has not issued any convertible instruments during the year

@ Includes adjourned meeting.

$ Shri Kamal Dayani, IAS assumed directorship of the Company w.e.f 01/02/2024 and has attended all meetings after his appointment.

* In accordance with Clause 26 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, Membership / Chairmanship of only the Audit Committee and Stakeholders Relationship Committee of all Public Limited Companies including GSFC as on 31st March 2024 have been considered.

All Directors including independent directors meet with the requirements pertaining to the number of Directorships of companies as well as membership/ chairmanship of the Board level Committees.

None of the Directors is a member in more than ten committees or is a chairperson in more than five committees, across all companies in which he / she is a Director.

Details of Directorship in other Listed Entities as on 31st March, 2024.

Name of Director	Names of Listed Entity	Category
Shri Raj Kumar, IAS	Gujarat Narmada Valley Fertilizers & Chemicals Ltd.	Non-executive & Chairman
	Gujarat State Petronet Limited	Executive, Chairman & Managing Director
	Gujarat Gas Limited	Non-executive & Chairman
Shri Kamal Chandanlal Dayani, IAS	Gujarat Narmada Valley Fertilizers & Chemicals Ltd.	Non-executive, Non-Independent
Shri Jagdish Prasad Gupta, IAS	Gujarat Alkalies & Chemicals Limited	Non-executive, Non-Independent
	Gujarat Gas Limited	
	Gujarat Narmada Valley Fertilizers & Chemicals Ltd.	
Smt. Mamta Verma, IAS	Torrent Power Ltd.	Non-executive, Non-Independent
	Gujarat Narmada Valley Fertilizers & Chemicals Ltd.	
	Gujarat Gas Limited	
	Gujarat State Petronet Limited	
Shri Tapan Ray, IAS (Retd.)	Gujarat State Petronet Ltd.	Non-executive, Independent
	CMS Info Systems Limited	
Prof. Ravindra Harshadrai Dholakia	Adani Energy Solutions Limited	Non-executive, Independent
	Gujarat Industries Power Company Limited	
Dr. Sudhir Kumar Jain	Gujarat State Petronet Limited	Non-executive, Independent
Smt. Gauri Kumar, IAS (Retd.)	Gujarat Mineral Development Corporation Limited	Non-executive, Independent
	Gujarat Narmada Valley Fertilizers & Chemicals Limited	
	TVS Supply Chain Solutions Limited	

In terms of the requirements of the Listing Regulations, the Board has identified the core skills / expertise / competencies of the Board in the context of the Company's business for effective functioning and as available with the Board. The Directors mapped against identified core skills / expertise / competencies is given below:

Sr. no.	Name of Director	Financial Management	Governance Practices	Corporate Practices	Business Strategy	General Management
1	Shri Raj Kumar, IAS	✓	✓	✓	✓	✓
2	Shri Kamal Chandanlal Dayani, IAS	✓	✓	✓	✓	✓
3	Smt. Mamta Verma, IAS#	✓	✓	✓	✓	✓
4	Shri Jagdish Prasad Gupta, IAS#	✓	✓	✓	✓	✓
5	Shri Tapan Ray, IAS (Retd.)	✓	✓	✓	✓	✓
6	Prof. Ravindra Harshadrai Dholakia	✓	✓	✓	✓	✓
7	Dr. Sudhir Kumar Jain	✓	✓	✓	✓	✓
8	Smt. Gauri Kumar, IAS (Retd.)	✓	✓	✓	✓	✓
9	Shri S J Haider, IAS*	✓	✓	✓	✓	✓

Smt. Mamta Verma, IAS and Shri J.P. Gupta, IAS have resigned as directors of the Company with effect from 01/08/2024 and 05/08/2024, respectively.

* Shri S. J. Haider, IAS has been appointed as Director w.e.f. 13/08/2024.

Disclosure regarding appointment / re-appointment of Directors:

Sr. No.	Name of Director	Change	Effective date	Remarks
1	Shri Mukesh Puri, IAS (Retd.)	Cessation	01/02/2024	Consequent upon his attaining superannuation, he has tendered his resignation as Managing Director of the Company.
2	Shri Kamal Dayani, IAS	Appointment	01/02/2024	The General Administration Department, Government of Gujarat has issued an Order vide reference no. AIS/45.2024/l0/G stating that Shri Kamal Dayani will hold additional charge of the post of Managing Director of the Company.
3	Smt. Mamta Verma, IAS	Cessation	01/08/2024	Consequent upon her transfer from Energy & Petrochemicals Department, Government of Gujarat she has tendered her resignation as Director of the Company.
4	Shri J P Gupta, IAS	Cessation	05/08/2024	Consequent upon his transfer from Finance Department, Government of Gujarat, he has tendered his resignation as Director of the Company.
5	Shri S J Haider, IAS	Appointment	13/08/2024	The Energy & Petrochemicals Department of Government of Gujarat has issued Letter No. MIS/15-024/1345/2024 dated 12th August,2024 for appointment of Shri S. J. Haider, IAS as Director of the Company.

Independent Directors - declarations

Independent Directors on the Board of the Company viz. Shri Tapan Ray, Smt. Gauri Kumar, Prof. Ravindra Dholakia and Dr. Sudhir Kumar Jain, independent directors have submitted declarations that they meet the criteria of Independence as provided under section 149 (6) of the Companies Act, 2013 ("Act") read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended.

The names of all the Independent Directors of the Company are included in the data bank maintained by the Indian Institute of Corporate Affairs.

Other declarations

Brief resume of Director proposed for appointment at 62nd Annual General Meeting is annexed to the Notice convening the 62nd Annual General Meeting, which forms an integral part of this Annual Report.

A Certificate has been obtained from CS Niraj Trivedi, Company Secretary in practice (CP No. 3123), confirming that none of the directors on the Board of Directors of the Company have been debarred or disqualified from being appointed or continuing as director of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authorities which forms part of this report.

Code of Conduct

The Company has laid down a Code of Conduct for all its Board Members and Senior Management Personnel to avoid any conflict of interest. The confirmation of adherence to the Code of Conduct for the Financial Year 2023-24 is received from all the Directors and Officials in the Senior Management of the Company, to whom such code is applicable.

The Board of Directors has noted the adherence to the code of conduct. The Code of Conduct of the Company is available on the Company's web-site viz. https://www.gsfclimited.com/companys-act-listing-agreement.

Availability of Information to the Board of Directors

The Board of Directors of the Company is apprised of all the relevant and significant information and developments pertaining to the Company's business and this facilitates them to review and take timely corporate decisions. The comprehensive management reporting systems are in place which encompass preparation and reporting of operating results by respective plants. Their reviews are being carried out by senior management and periodically by the Board at its Meeting/s. The senior management team of the Company reviews the same, periodically and presents an update to the Board.

The Board of Directors has complete access to all the information that is within the Company. Senior executives of the Company are invited to the Board and Committee meetings to present their respective proposals for decision, review and information of the Board / Committee members.

All the mandatory information that is required to be placed before the Board of Directors and as required under Listing Regulations is being placed before the Board of Directors.

Apart from the matters that require mandatory Board approval, following matters are also put up for information to the Board:

1. Review of outstanding / overdues
2. Delegation of authority for operational matters.
3. Review and updating of policies.

A quarterly Certificate of Compliance with all the applicable laws to the Company is placed before the Board at its every quarterly meeting.

Directors & Officers Insurance Policy

In terms of Regulation 25(10) of the Listing Regulations, the Company has in place a Directors & Officers insurance Policy for such quantum and risk coverage, as determined by the Board of Directors.

MANAGERIAL REMUNERATION

Remuneration to the Non-executive Directors

During the year under review, all the Directors (except Managing Director - Executive Director) were paid sitting fees of ₹. 17,500 per meeting for attending Board/ Committee Meetings and no commission/ share of profit is paid to them.

The details of sitting fees paid to them for attending Board/ Committee Meetings during the year under review are as follows:

(Amount in Rupees)

Sr. No.	Name	Sitting Fees
1	Shri Raj Kumar, IAS	*1,05,000
2	Shri Tapan Ray, IAS (Retd.)	3,15,000
3	Prof. Ravindra Harshadrai Dholakia	2,80,000
4	Smt. Gauri Kumar, IAS (Retd.)	2,80,000
5	Dr. Sudhir Kumar Jain	1,57,500
6	Smt. Mamta Verma, IAS	*52,500
7	Shri Jagdish Prasad Gupta, IAS	*1,92,500
	Total	**13,82,500**

*** Deposited in the Govt. treasury.**

Remuneration to the Executive Director - Managing Director:

The Managing Director of the Company is nominated by the Government of Gujarat, who is a Senior Officer of Indian Administrative Service (IAS Cadre). He is being paid the remuneration applicable to his scale in the Government in line with the terms & conditions prescribed by the Govt. of Gujarat. The Managing Director is not paid any remuneration by the Company.

Remuneration to the Whole Time Director and other Non-Executive Directors of the Company, if any, is decided by the Board upon recommendation by the Nomination & Remuneration Committee.

There was no remuneration paid to the Managing Directors during the financial year 2023-24:

Name of MD	Salary & Perquisites
Shri Mukesh Puri, IAS (Managing Director till 01/02/2024)	Nil
Shri Kamal Dayani , IAS (Managing Director w.e.f 01/02/2024)	Nil

The Company currently does not have any Stock Option Plan in place.

All the Directors have been reimbursed expenses, if any, incurred by them in discharge of their duties. There are no payments made to a Director in his individual capacity or to his relatives. None of the Directors have any material pecuniary relationship or transactions with the Company, its promoters, its Directors, its senior management or its holding Company, its subsidiaries and associates which may affect their independence. The Company has not entered into any materially significant transaction with Promoters, Directors or their relatives or its management or subsidiary that may have potential conflict with the interests of the Company.

3 COMMITTEES OF THE BOARD:

i. FINANCE - CUM - AUDIT COMMITTEE:

The Finance-cum-Audit Committee ("FA Committee") comprises following directors as its members:

i. Prof. Ravindra Harshadrai Dholakia, Chairman
ii. Smt. Gauri Kumar, IAS (Retd.)
iii. Shri Tapan Ray, IAS (Retd.)
iv. Shri Jagdish Prasad Gupta, IAS (till 05/08/2024)

Three out of four members are Independent and Non-Executive Directors. They have wide knowledge and experience in the field of Corporate Finance and Accounts. The Committee is governed by a charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Regulation 18 of Listing Regulations.

The Company has systems and procedures in place to ensure that the Audit Committee mandatorily reviews:

1. Management discussion and analysis of financial condition and results of operations.
2. Management letters / letters of internal control weaknesses issued by the statutory auditors.
3. Internal audit reports relating to internal control weaknesses.
4. The appointment, removal and terms of remuneration of the Chief Internal Auditor.
5. Statement of deviations ;

   (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

   (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
6. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
7. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
8. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
9. Reviewing, with the Management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

a. Matters, required to be included in the Director's Responsibility Statement.

b. Changes, if any, in accounting policies and practices and reasons for the same.

c. Major accounting entries involving estimates based on the exercise of judgment by Management.

d. Significant adjustments made in the financial statements arising out of audit findings.

e. Compliance with listing and other legal requirements relating to financial statement.

f. Disclosure of any related party transactions.

g. Qualifications & modified opinion(s), if any, in the draft audit report.

10. Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval;
11. Reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
12. Review and monitor the auditor's independence and performance and effectiveness of audit process;
13. Approval or any subsequent modification of transactions of the Company with related parties;
14. Scrutiny of inter-corporate loans and investments;
15. Valuation of undertakings or assets of the Company, wherever it is necessary;
16. Evaluation of internal financial controls and risk management systems;
17. Reviewing, with the Management, performance of statutory and internal auditors, adequacy of the internal control systems;
18. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
19. Discussion with internal auditors of any significant findings and follow up thereon;
20. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
21. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
22. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
23. To review the functioning of the Vigil/Whistle Blower Mechanism;
24. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
25. Carrying out any other function as is included in the terms of reference of the Audit Committee.
26. Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding

rupees 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments.

27. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

During the Financial Year 2023-24, five meetings of Finance-cum-Audit Committee were held as follows:

Sr. No.	Dates of meeting
1.	23-05-2023
2.	07-08-2023
3.	06-11-2023
4.	06-02-2024
5.	16-03-2024

The Composition of the Finance-cum-Audit Committee and the attendance details are as under:

Sr. No.	Name of the Member	Category	No. of meetings held during the tenure of Directors	No. of meetings attended
1	Prof. Ravindra Harshadrai Dholakia (Chairman of the Committee)	Independent, Non-Executive	5	5
2	Smt. Gauri Kumar, IAS (Retd.)	Independent, Non-Executive	5	5
3	Shri Jagdish Prasad Gupta, IAS	Non-Independent, Non-Executive	5	4
4	Shri Tapan Ray, IAS (Retd.)	Independent, Non-Executive	5	5

The Finance-cum-Audit Committee meetings are usually attended by the Head of Finance Dept. and Managing Director is also invited to attend the meetings as a Special Invitee. Representatives of Internal Auditors, Statutory Auditors, Cost Auditors and Branch Auditors are invited to attend the meetings as and when required. The Company Secretary acts as Secretary to the Committee.

Prof. Ravindra Dholakia, Chairman of the Finance-cum-Audit Committee remained present at the last i.e. 61st Annual General Meeting held on 22.09.2023.

ii. STAKEHOLDERS' RELATIONSHIP COMMITTEE

Pursuant to provisions of Section 178(5) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 ("Listing Regulations"), the Company has a Stakeholders Relationship Committee of the Board. The Committee comprises following Directors as its members:

i. Dr. Sudhir Kumar Jain - Chairman

ii. Shri Tapan Ray, IAS (Retd.) - Member

iii. Shri Mukesh Puri, IAS (Retd.) Managing Director (till 01.02.2024)

iv. Shri Kamal Dayani, IAS (w.e.f. 01.02.2024).

The Company Secretary is the Compliance Officer for complying with requirements of Securities Laws and Listing Regulations with Stock Exchanges. The Company Secretary acts as Secretary to the Committee.

During the FY 2023-24, one meeting of the Committee was held on 03-08-2023. The details of Committee members and their attendance at the Committee meetings during the Financial Year 2023-24 are furnished below:

Sr. No	Name of the Members	No. of meetings held during the tenure of Directors	No. of Meetings Attended
1	Dr. Sudhir Kumar Jain	1	1
2	Shri Tapan Ray, IAS (Retd.)	1	1
3	Shri Mukesh Puri, IAS (Retd.), Managing Director (till 01.02.2024)	1	1
4	Shri Kamal Dayani, IAS (w. e. f. 01.02.2024)	-	-

As a measure of good Corporate Governance, grievances from shareholders are redressed / responded promptly and on priority. The Committee reviews the mechanism for investors' grievance redressal. On the date of this report there are no complaints pending to be resolved by the Company.

With a view to facilitate and ensuring timely transmission, transposition, deletion of name etc., the Board of Directors has delegated the authority in favor of the Company Secretary/ Dy. Company Secretary for processing such requests up to 5,000 shares of Rs. 2/- each and the Managing Director is authorized to process requests for more than 5,000 shares of Rs. 2/- each.

The report on various issues concerning the shareholders such as issue of share certificates, redressal of shareholders' complaints etc. is reviewed by the Committee.

The jurisdiction/ terms of reference of the Committee encompass the following areas:

i. Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.

ii. Review of measures taken for effective exercise of voting rights by shareholders.

iii. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

iv. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company.

All the shares received for Transmission/ Transposition etc. are processed and dispatched within the period not exceeding fifteen days and a half-yearly Certificate from a Practicing Company Secretary to that effect is being obtained pursuant to Listing Regulations.

The following table highlights the details of the complaints received during the F.Y. 2023-24 and their status as on date. It is further reported that as on 31-03-2024, there are no outstanding complaints pertaining to and received during the F.Y. 2023-24:

(a)	No. of complaints received from Shareholders/ Investors during the financial year 2023-2024.	51
(b)	No. of complaints not redressed to the satisfaction of shareholders / investors.	Nil
(c)	No. of applications received for transfers/ transmissions /transposition/deletion of shares during the financial year 2023-24. (IEPF 904 Transmission cases)	1239
(d)	No. of pending requests for share transfers, transmissions and transposition of shares as on 31-03-2024.	Nil

As mandated by SEBI, the Quarterly Reconciliation of share capital Audit, highlighting the reconciliation of total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) vis-a-vis the total issued and listed capital, is being carried out by the Practicing Company Secretary. This audit confirms that the total issued and paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with the two depositories viz. the NSDL and CDSL.

As on 31st March, 2024 total 39,24,47,455 Equity Shares of Rs. 2/- each representing 98.49% of the total number of shares representing paid-up share capital of the Company, were dematerialized.

iii. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Pursuant to provisions of Section 135 of the Act, Corporate Social Responsibility ("CSR") Committee of the Board consists of following members as on the date of this report:

i. Shri Mukesh Puri, IAS (Retd.) - Chairman (till 01/02/2024);

ii. Shri Kamal Dayani, IAS - Chairman (w.e.f. 01/02/2024);

iii. Dr. Sudhir Jain - Member;

iv. Shri Tapan Ray, IAS (Retd.) - Member;

v. Shri J. P. Gupta, IAS - Member (till 05/08/2024)

During the year 2023-24, one meeting was held on 16/03/2024. The Company Secretary acts as Secretary to the Committee. The details of CSR Activities in the prescribed format forms the part of Board's Report to shareholders.

iv. NOMINATION AND REMUNERATION COMMITTEE:

Pursuant to the provisions of Section 178 of the Act read with Regulation 19 of the Listing Regulations, the Company has a Nomination and Remuneration Committee of the Board. The Committee comprises following directors as its members:

i. Smt. Gauri Kumar, IAS (Retd.) - Chairman;

ii. Dr. Sudhir Kumar Jain - Member;

iii. Shri Tapan Ray, IAS (Retd.) - Member;

iv. Smt. Mamta Verma, IAS (till 01/08/2024);

v. Shri S.J. Haider, IAS - Member (wef 13/08/2024);

The Managing Director attends may be present at the meetings as Special Invitee.

During the FY 2023-24, one meeting of the Committee was held on 04/11/2023. The Company Secretary acts as Secretary to the Committee. The details of Committee members and their attendance at the Committee meeting during the Financial Year 2023-24 are furnished below:

Sr. No.	Name of the Members	No. of meetings held during the tenure of Directors	No. of Meetings Attended
1	Smt. Gauri Kumar, IAS (Retd.)	1	1
2	Dr. Sudhir Kumar Jain	1	1
3	Shri Tapan Ray, IAS (Retd.)	1	1
4	Smt. Mamta Verma, IAS	1	0

Besides having access to all required information within the Company, the Committee is empowered to investigate any activity within its terms of reference, seek information from any employee, secure attendance of outsiders with relevant expertise, or obtain legal or other professional advice from external sources, whenever required. The Committee acts as a link amongst the Management and the Board of Directors.

The Committee acts in accordance with the terms of reference which, inter alia, include:

i. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, key managerial personnel and other employees;

ii. Formulation of criteria for evaluation of Independent Directors and the Board;

iii. Devising a policy on Board diversity;

iv. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;

v. Evaluation of every Director's performance.

vi. Recommend to the board, all remuneration, in whatever form, payable to senior management.

The Policy on Nomination & Remuneration cum Board Diversity as approved is available at the website of the Company at https://www.gsfclimited.com/companys-act-listing-agreement

➢ **Criteria for Nomination as per Nomination and Remuneration Policy:**

The Committee follows the procedure mentioned below for appointment of Director, Independent Director, KMP and Senior Management Personnel and recommend their appointments to the Board.

- The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.
- The Committee shall should ensure that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel is not disqualified under the Act, rules made there under, Listing Agreement or any other enactment for the time being in force.
- In case of the appointment of Independent Director, Independent Director should comply with the additional criteria of independence as prescribed under the Act, rules framed there under and the Listing Agreement. For selection of Independent Director, the Company may use the data bank containing names, addresses and qualifications of persons who are eligible and willing to act as independent directors, maintained by anybody, institute or association, as may be notified by the Central Government, having expertise in creation and maintenance of such data bank.
- The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made there under, Listing Agreement or any other enactment for the time being in force.

I. REMUNERATION:

The Committee will recommend the remuneration to be paid to the Managing Director, Whole-time Director, KMP and Senior Management Personnel to the Board for their approval. The Committee shall ensure that:

- The level and composition of remuneration so determined shall be reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel and Senior Management of the quality required to run the Company successfully;
- The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to Directors, KMP and Senior Management Personnel involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

A. Managing Director/ Whole-time Director(s):

Besides the above criteria, the Remuneration/ compensation/ commission etc to be paid to Managing Director, Whole-time Director(s) etc shall be governed as per provisions of the Act read with Schedule V and rules made there under or any other enactment for the time being in force.

B. Non-Executive Independent Directors:

The Non-Executive Independent Directors may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof, reimbursement of expenses for participation in the Board and other meetings and profit related commission if so decided and approved by the Board/ Shareholders as per the provisions of the Act.

Provided that the amount of such fees shall not exceed the amount as prescribed under the Act read with the rules made there under or any other enactment for the time being in force. Further, independent director shall not be entitled to any stock options.

The Non-Executive Independent Directors may be paid remuneration for services rendered in any other capacity, like to serve as a member of Selection Committee for recruitment of Senior Management Personnel and/or any other specific assignment given by the Company from time to time. The remuneration paid for such services shall be subject to provisions of the Act and approval of the Nomination-cum-Remuneration Committee.

The remuneration, if any, paid for services rendered by any such Director in other capacity is not included in the overall ceiling prescribed under the Act read with Schedule V and rules made there under, if -

(a) The services rendered are of a professional nature; and

(b) In the opinion of the Committee, the director possesses the requisite qualification for the practice of the profession.

C. Non-Executive Non-Independent Directors:

The Non-Executive Independent Directors may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof, reimbursement of expenses for participation in the Board and other meetings and profit related commission if so decided and approved by the Board/ Shareholders as per the provisions of the Act.

D. KMPs/ Senior Management Personnel etc.:

Particulars of senior management including the changes therein since the close of the previous financial year.

The Remuneration to be paid to KMPs/ Senior Management Personnel shall be based on the experience, qualification and expertise of the related personnel and governed by the limits, if any, prescribed under the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

The requisite information as required in terms of provisions of Section 197 of the Act read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are mentioned below:

a. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

Not applicable, as the Directors are not paid any remuneration.

b. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

There is no remuneration paid to any director.

Percentage increase in the remuneration of Chief Financial Officer was 43.91%, after considering the arrears received after revision in salary. The revision was effective 1st January, 2023 and the arrears were received in January, 2024.

Increase in remuneration of Company Secretary is not applicable as the appointment was effective 07/08/2023.

c. The percentage increase in the median remuneration of employees in the financial year:

Percentage increase in the median remuneration of employees in the financial year is 27.29% after considering the arrears received after revision in salary. The revision was effective 1st January, 2023 and the same were received in January, 2024.

d. The number of permanent employees on the rolls of company:

2,855 Nos. of permanent employees are on the rolls of the company as on 31/03/2024.

e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentile increase is 29.38% after considering the arrears received after revision in salary. The revision was effective 1st January, 2023 and the same were received in January, 2024.

The upward revision in salary is in terms of the policy of the Company for increments and salary revision.

f. Affirmation that the remuneration is as per the remuneration policy of the Company:
Yes

Details of employees who:

- If employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two Lakh rupees.

  Nil

- If employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight Lakh fifty thousand rupees per month.

  Nil

- If employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

  Number of employees received remuneration in excess of that drawn by the managing director, in the aggregate -NA

A statement containing particulars of employees as required under Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided as a separate annexure forming part of this Report. In terms of Section 136 of the Act, the Annual Report and financial statements are being sent to the shareholders excluding the aforesaid annexure. The said annexure is available for inspection at the registered office of the Company during business hours and will be made available to any shareholder on request.

All the below mentioned employees were permanent employees as on 31/03/2024 and none of them are holding any equity shares of the Company and also that none of them are relative of the Directors.

Sr. No	Name	Designation	Qualification	Experience Yrs.	Prev. Exp.
1	Shri Vishvesh D Nanavaty	ED (Finance) & CFO	ICWA COSTING, A.C.A., Adv. Accountancy, Asso. Comp Secretary, Taxation	21.06	13.17
2	Shri Sanjay K Bajpai	SVP (Finance)	ICWA Accountancy , CO. Secretary , L.L.B.	30	1
3	Shri Sandeep H Purohit	SVP(HRS)	MSW , P.G. Diploma IR & PM , L.L.B. Labour Law , P.G. Diploma Human Res. Mgt.	6	29
4	Shri Sunil A Shah	SR VP(PLM)	B.E. Mechanical	34	0
5	Shri Kanyo S Badlani	SR VP (I&MB, U&EC & FU)	B.E. Chemical Engg.	33	0
6	Shri Ajay V Bhave	SR VP (Project Development)	B.E. Chemical Engg.	34	0
7	Shri Sanjeev V Varma	ED (AB)	B.E. Electronics , P.G. Diploma Management , M.B.A. Finance Mgt.	31	0
8	Shri Alpesh B Gupta	SR. Vice President (Sikka Unit)	B.E. Chemical Engg	32	0
9	Shri Prashant D Kotak	VP (Application Development Centre)	B.E. Textile , M.E. Textile	31	3
10	Shri Satishchandra B Patel	SR VP (Prod-OP-I Group) & Factory Manager	B.E. Chemical Engg	31	0

- **Performance evaluation:**

Pursuant to the applicable provisions of the Act and the Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the directors individually as well as the evaluation of its committees. The performance evaluation of the Independent directors was carried out by the entire board. The performance evaluation of the chairman and the non independent directors was carried out by the independent directors.

The directors of the Company, including independent directors are evaluated on various criteria viz. knowledge, behavioral skills, strategic thinking & decision making, financial skills, technical proficiency and specialized domain knowledge.

v. RISK MANAGEMENT COMMITTEE:

Business Risk and Management is an ongoing process within the organization. The Company has a risk management framework to identify, monitor and minimize risks as also identify business opportunities.

Within its overall scope as aforesaid, the Committee reviews risks trends, exposure, potential impact analysis and mitigation plan. The Board has constituted the Risk Management Committee with following terms of reference.

The Objective and scope of the Risk Management Committee comprises the following:

(1) To formulate a detailed risk management policy which shall include:

(a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

(b) Measures for risk mitigation including systems and processes for internal control of identified risks.

(c) Business continuity plan.

(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

The Company has a policy on Risk Management including Cyber Security, in place. Based on the recommendation of the Risk Management Committee, the Risk Management Policy was revised by the Board at its meeting held on 05/08/2024.

As mandated by Listing Regulations during the year 2023-24, two meetings of Risk Management Committee were held on 07/07/2023 and 29/12/2023. Further, there is no gap of more than 180 days between the two meetings of the Risk Management Committee.

The details of Committee members and their attendance at the Committee meetings during the Financial Year 2023-24 are furnished below:

Sr. No.	Name of the Members	No. of meetings held during the tenure of Directors	No. of Meetings Attended
1	Shri Mukesh Puri, IAS (Retd.) Chairman of the Committee (till 01.02.2024)	2	2
2	Shri Kamal Dayani, IAS Chairman of the Committee (w. e. f. 01.02.2024)	NA	NA
3	Prof. Ravindra Dholakia	2	2
4	Smt. Gauri Kumar, IAS (Retd.)	2	2
5	Shri J. P. Gupta, IAS (till 05.08.2024)	2	1
6	Shri Tapan Ray, IAS (Retd.)	2	2

The risk document containing risks including way forward for mitigation thereof, as approved by the Risk Management Committee, is also reviewed by Board of Directors periodically.

vi. GENERAL BODY MEETINGS

Date & Venue of the last three Annual General Meetings :

Particular \ Meetings	61st AGM	60th AGM	59th AGM
Date	22nd September, 2023	27th September, 2022	27th September, 2021
Start Timing	11:30 AM	11:30 AM	03:30 PM
Venue	Through Video Conferencing ("VC")/ other Audio Visual Means ("OAVM")		
Details of Special Resolutions passed, if any	No Special Resolution was passed		

- No 'Extraordinary General Meeting' was held during the last three years.
- At the forthcoming 'Annual General Meeting' there is no item on the agenda requiring postal ballot.
- POSTAL BALLOT During the Financial Year 2023-24: The Company has passed following two Resolutions by Postal Ballot.

a) Postal Ballot Notice Dated 29th March, 2023 - To appoint Shri Raj Kumar, IAS (DIN: 00294527) as a Chairman & Director of the Company, not liable to retire by rotation (Ordinary Resolution);

Procedure adopted for Postal Ballot:

The Board of Directors had approved the appointment of Mr. Niraj Trivedi, Practicing Company Secretary to act as Scrutinizer for conducting Postal Ballot process including scrutinizing the Remote E-voting process to be provided to the Shareholders to cast their votes on the Resolutions proposed in the Postal Ballot Notice and also approved appointment of Central Depository Services (India) Limited ("CDSL") for facilitating remote e-voting to enable the Shareholders to cast their votes electronically.

Pursuant to Sections 108 and 110 and other applicable provisions, if any, of the Companies Act, 2013, ("the Act"), read with the Companies (Management and Administration) Rules, 2014 ("Rules") and further read with General Circulars No. 14/2020 dated April 8, 2020, General Circular No.17/2020 dated April 13, 2020 and other relevant circulars, including No.22/2020 dated June 15, 2020; No. 33/2020 dated September 28, 2020; No.39/2020 dated December 31, 2020, No.10/2021 dated June 23, 2021, No.20/2021 dated December 8, 2021, No. 3/2022 dated May 5, 2022 and 11/2022 dated December, 28, 2022, issued by the Ministry of Corporate Affairs ("MCA Circulars"); the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), Secretarial Standard issued by the Institute of Company Secretaries of India on General Meetings ("SS-2") and other applicable laws, Rules, Regulations (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and as amended from time to time) ("applicable laws"), the Postal Ballot Notice dated 29th March, 2023 ("the Notice") together with the Explanatory Statement seeking approval of the Members of the Company for the aforementioned Resolution by way of Postal Ballot through remote e-voting was dispatched and circulated on 12th April, 2023.

The Notice was submitted to the Stock Exchanges and uploaded on the websites of the Company and CDSL on 12th April, 2023. The Notice was sent to the Shareholders who already had their email address registered with the Company/ Depositories and whose names appeared in the Register of Shareholders/List of Beneficial Owners as received from Depositories i.e. National Securities Depository Limited ("NSDL")/ Central Depository Services (India) Limited ("CDSL") as on Friday, 7th April, 2023 ("cut-off date").

Intimation regarding completion of dispatch of Postal Ballot through email and details of e-voting were published on 13th April, 2023 in Financial Express, All Edition (In English) and Loksatta Jansatta, Gujarat Edition (In Gujarati) newspapers. Electronic voting (Remote e-Voting) by Members of the Company commenced on Friday, 14th April, 2023 (9:00 a.m. IST) and ended on Saturday, 13th May, 2023 (5:00 p.m. IST). Shri Niraj Trivedi, Scrutinizer had carried out scrutiny of e-votes received up to Saturday, 13th May, 2023 (5:00 p.m. IST), being the last day of e-voting for Postal Ballot voting and prepared a Scrutinizer's Report on the basis of data / reports received by him. Thereafter, the Scrutinizer had submitted his Report dated 16th May, 2023. In accordance with Regulation 44 (3) of Listing Regulations, the Company submitted voting results for the Resolution under the Postal Ballot Notice dated 29th March, 2023 in the prescribed format along with the Scrutinizer's Report dated 16th May, 2023 to the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited on 16th May, 2023, uploaded the same on the websites of the Company and CDSL and also published on the Notice Board of the Company. The Resolutions contained in the Notice dated 29th March, 2023 of the above Postal Ballot were approved by requisite majority of Members through remote e-Voting.

Accordingly, the Resolutions were declared to be passed on 16th May, 2023. Details of Voting Patterns are provided below:

Sr. No.	Resolutions	No. & % votes in favour	No. & % votes against	No. of votes invalid/ abstained
1	To appoint Shri Raj Kumar, IAS (DIN: 00294527) as a Chairman & Director of the Company, not liable to retire by rotation (Ordinary Resolution)	17,43,81,752 (59.24%)	7,74,83,627 (30.76%)	0

b) Postal Ballot Notice Dated 18th March, 2024 - To appoint Shri Kamal Dayani, IAS (DIN: 05351774) as Managing Director of the Company with effect from 1st February, 2024 (Ordinary Resolution);

Procedure adopted for Postal Ballot:

The Board of Directors had approved the appointment of Mr. Niraj Trivedi, Practicing Company Secretary to act as Scrutinizer for conducting Postal Ballot process including scrutinizing the Remote E-voting process to be provided to the Shareholders to cast their votes on the Resolutions proposed in the Postal Ballot Notice and also approved appointment of Central Depository Services (India) Limited ("CDSL") for facilitating remote e-voting to enable the Shareholders to cast their votes electronically. Pursuant to Sections 108 and 110 and other applicable provisions, if any, of the Companies Act, 2013, ("the Act"), read with the Companies (Management and Administration) Rules, 2014 ("Rules") and further read with General Circular No. 09/2023 dated 25th September, 2023 (in continuation to all other circulars issued earlier in this regard), and the SEBI circular no. SEBI/HO/ CFD/ CFD-PoD-2/P/CIR/2023/167 dated 7th October 2023, Secretarial Standard issued by the Institute of Company Secretaries of India on General Meetings ("SS-2") and other applicable laws, Rules, Regulations (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and as amended from time to time) ("applicable laws"), the Postal Ballot Notice dated 18th March, 2024 ("the Notice") together with the Explanatory Statement seeking approval of the Members of the Company for the aforementioned Resolution by way of Postal Ballot through remote e-voting was dispatched and circulated on 21st March, 2024. The Notice was submitted to the Stock Exchanges and uploaded on the websites of the Company and CDSL on 21st March, 2024. The Notice was sent to the Shareholders who already had their email address registered with the

Company/ Depositories and whose names appeared in the Register of Shareholders/List of Beneficial Owners as received from Depositories i.e. National Securities Depository Limited ("NSDL")/ Central Depository Services (India) Limited ("CDSL") as on Friday, March 15, 2024 ("cut-off date"). Intimation regarding completion of dispatch of Postal Ballot through email and details of e-voting were published on March 22, 2024 in Business Standard, All Edition (In English) and Loksatta Jansatta, All Gujarat Edition (In Gujarati) newspapers.

Electronic voting (Remote e-Voting) by Members of the Company commenced on Friday, March 22, 2024 (9:00 a.m. IST) and ended on Saturday, April 20, 2024 (5:00 p.m. IST). Shri Niraj Trivedi, Scrutinizer had carried out scrutiny of e-votes received up to Saturday, April 20, 2024 (5:00 p.m. IST), being the last day of e-voting for Postal Ballot voting and prepared a Scrutinizer's Report on the basis of data / reports received by him. Thereafter, the Scrutinizer had submitted his Report dated April 22, 2024. In accordance with Regulation 44 (3) of Listing Regulations, the Company submitted voting results for the Resolution under the Postal Ballot Notice dated 18th March, 2024 in the prescribed format along with the Scrutinizer's Report dated April 22, 2024 to the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited on April 22, 2024, uploaded the same on the websites of the Company and CDSL and also published on the Notice Board of the Company. The Resolution contained in the Notice dated 18th March, 2024 of the above Postal Ballot were approved by requisite majority of Members through remote e-Voting. Accordingly, the Resolution was declared to be passed on 20th April, 2024.

Details of Voting Patterns are provided below:

Sr. No.	Resolutions	No. & % votes in favour	No. & % votes against	No. of votes invalid/ abstained
1	To appoint Shri Kamal Dayani, IAS (DIN: 05351774) as Managing Director of the company with effect from 1st February, 2024 (Ordinary Resolution)	23,45,91,614 (99.54%)	10,79,360 (0.46%)	0

4 DISCLOSURES

(a) There are no materially significant related party transactions made by the Company with its Promoters, Directors, or Management, their subsidiaries or relatives etc. which may have potential conflict with the interest of the Company at large. An adequate disclosure regarding related party transactions is contained in the Annual Accounts of the Company in Note No. 39 which forms a part of this Annual Report.

(b) There is no material Related Party Transaction to be reported in terms of Regulation 23 of the Listing Regulations and hence there are no details to be disclosed in Form AOC-2. During the year under review, there were no material transactions entered into with related parties, which may have had any potential conflict with the interests of the Company.

(c) There is no non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets, during the last three years.

(d) Vigil mechanism cum Whistle Blower Policy:

The Company has a vigil mechanism cum whistle blower policy to deal with instances of fraud and mismanagement, if any. The said policy is placed on the website of the company at web link:

https://www.gsfclimited.com/companys-act-listing-agreement

There was no incident/ compliant received in this regard and no personnel has been denied access to the Finance-cum-Audit Committee.

(e) The Company complies with all the mandatory requirements of the Regulation 17 to 27 & Clause (b) to (i) of Sub-regulation (2) of Regulation 46 of Listing Regulations on Code of Corporate Governance. The Board of Directors has approved the Code of Conduct and Ethics for the Directors and the Senior Management of the Company.

(f) Loans and Advances in the Nature of Loans to Firm/ Companies in which Directors are interested by name and amount: Nil

(g) Disclosure of agreements mentioned under Clause 5A of paragraph A of Part A of Schedule III of Listing Regulations binding on listed entities: NIL

5 CEO CERTIFICATION:

The Managing Director (CEO) of the Company has certified the compliance of Code of Conduct in respect of the Financial Year 2023-24 by the Board Members & Senior Management and the said certificate forms part of this report.

Statutory Compliance of all applicable Laws is being made by the Company and is reported to the Board in its every meeting. Further in preparation of the financial statements, all those Accounting Standards that are applicable have been complied with by the Company.

The Company has a policy in place for prevention of harassment at work place in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Committee is constituted to redress complaints received and the Committee directly reports to the Managing Director. All employees (permanent, contractual, temporary, trainees) are covered under the policy. One complaint was received during the year under review, which was resolved and hence no complaint is pending as on 31.03.2024.

No of complaint received	No of complaint pending	No of complaint resolved
1	0	1

6 **Familiarization programme for Directors:**

At the time of appointing an independent director, a formal letter of appointment is given to them, which inter alia explains the role, functions, duties and responsibilities expected of him as a director of the company. The Director is also explained in detail the compliances required from him under the Act as well as Listing Regulations and other relevant regulations and his affirmation taken with respect to the same.

By way of introduction to the Company, the Director is presented with a handbook containing details of product profile, history and key milestones, no. of plants ever since its inception, Companies Promoted and other relevant information.

The newly appointed directors are provided with the comprehensive kit giving the complete insight about the Company and its field of operations, including the compliance requirements as required in terms of the Act as well as Listing Regulations.

Further, the directors are periodically updated about industry performance and that of the Company along with extensive discussion on market scenario of fertilizer and Industrial Product industry. They are also appraised of latest amendment in Corporate Laws, circulars and notifications issued by Department of Fertilizers, to the extent of their impact on the Company from time to time.

In terms of Schedule V of SEBI Listing Regulations, the details of familiarization programmes imparted to Independent Directors are available at following link https://www.gsfclimited.com/companys-act-listing-agreement.

7 **Independent Directors' Meeting**

During the year under review, the Independent Directors met on 03/08/2023 to, inter alia, discuss:

- Evaluation of the performance of non-independent directors and the Board as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the executive and non-executive directors.
- Evaluation of quality, content and timeliness of flow of information between the management and the board that is necessary for the Board to effectively and reasonably perform its duties.

8 **Material Subsidiary Company:**

The Company does not have any material subsidiary whose net worth exceeds 10% of the consolidated net worth of the holding company in the immediately preceding accounting year or has generated 10% of the consolidated income of the company during the previous financial year. Accordingly, the policy on material subsidiaries has not been formulated.

The Audited Annual Financial Statements of subsidiary companies viz. GSFC Agrotech Limited, Gujarat Ports & Logistics Company Limited and Vadodara Jal Sanchay Private Limited have been placed before the Board Meeting. The Board annually takes note of the minutes of the meetings of the subsidiary companies.

The policies/ information/ documents, as mentioned below, required to be placed on the Company's website are available at the weblink - https://www.gsfclimited.com/sebi-listing-regulations

1. Vigil Mechanism cum Whistle Blower Policy
2. Terms of Appointment of Independent Director
3. Policy for Evaluation of Board Performance
4. Nomination & Remuneration -cum-Board Diversity Policy
5. Code of Conduct
6. Corporate Social Responsibilities (CSR) Policy
7. Policy on materiality of Related Party Transactions and dealing with Related Party Transactions
8. Code of conduct - SEBI (Prohibition of Insider Trading) Regulations, 2015
9. Familiarization Programme of Independent Directors
10. 62nd AGM e-voting process & Book Closure Notice
11. Notice of 62nd Annual General Meeting
12. Authority to KMP to determine materiality of event
13. List of GSFC committees
14. Policy on determining materiality of event or information
15. Policy on preservation of documents
16. Stock Exchange Submission Files
17. Press Clippings'
18. Dividend Distribution Policy
19. Risk Management Policy

9 **MEANS OF COMMUNICATION:**

Apart from furnishing the copies of the Unaudited Quarterly & Half Yearly Results and Audited Annual results to all the Stock Exchanges where the shares of the Company are listed, the Company also publishes the results in leading English newspaper and vernacular language newspaper viz. Business Standard all Editions and Vadodara Edition of Sandesh/ Divya Bhaskar/ Gujarat Samachar.

The Company's financial results are timely sent to the Stock Exchanges so that they are available on their website. The financial results of the Company and other information pertaining to the Company are available on the Company's website www.gsfclimited.com.

The Management Discussion & Analysis Report forms a part of the Directors' Report to shareholders.

There are no Presentations that are made to institutional investors. The presentation post Financial Results are available on the website of the Company as well as the Stock Exchanges.

Report for the quarter ended	Date of submission to Stock Exchange(s)
30-06-2023	08-08-2023
30-09-2023	07-11-2023
31-12-2023	06-02-2024
31-03-2024	21-05-2024

As required under the Listing Regulations, the Company has designated an email account specifically for investor service and the same is displayed on the website of the Company. Investors may lodge their complaints at: investors@gsfcltd.com.

10 GENERAL SHAREHOLDER INFORMATION

a) Annual General Meeting:

The 62nd Annual General Meeting of the Company will be held on Tuesday, 24th September, 2024 at 03:00 P.M. through video conferencing. The registered office of the Company is the deemed venue for the 62nd Annual General Meeting.

b) Financial Calendar:

The Financial Year of the Company is from 1st April to 31st March. The tentative financial calendar for the FY 2024-25 is given below:

Unaudited Financial Results for the quarter ending 30th June, 2024	05th August, 2024
Unaudited Financial Results for the quarter and half-year ending 30th September, 2024	Latest by 14th November, 2024
Unaudited Financial Results for the quarter and nine-months ending 31st December, 2024	Latest by 14th February, 2025
Audited Results for Quarter and Year ending 31st March, 2025	Latest by 30th May, 2025

c) Book Closure Date:

The Register of Members of the Company shall remain closed from Tuesday, 10th September, 2024 to Tuesday, 24th September, 2024 (both days inclusive).

d) Dividend payment date:

Dividend shall be paid on and after 30th September, 2024.

e) (I) Listing of Equity Shares:

The Equity Shares of the Company are listed on the following stock exchanges:

Sr. No.	Name & Address of the Exchange	Scrip Code
01	BSE Limited1st Floor, New Trading Ring Rotunda Bldg., P.J.Towers, Dalal Street Fort, MUMBAI - 400 001	500690
02	National Stock Exchange of India Limited' Exchange Plaza', C/1, Block G Bandra-Kurla Complex Bandra (East), MUMBAI - 400 051	GSFC – EQ

The Annual Listing Fees in respect of BSE Limited and National Stock Exchange of India Limited for the F.Y. 2024-25 has been paid by the Company.

(II) Demat ISIN No. in NSDL & CDSL for Equity shares: INE026A01025.

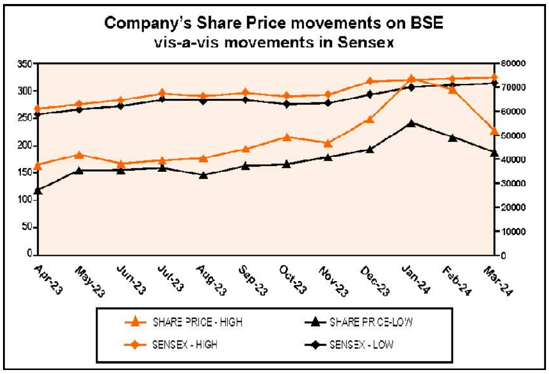
(III) Corporate Identification Number (CIN): L99999GJ1962PLC001121.

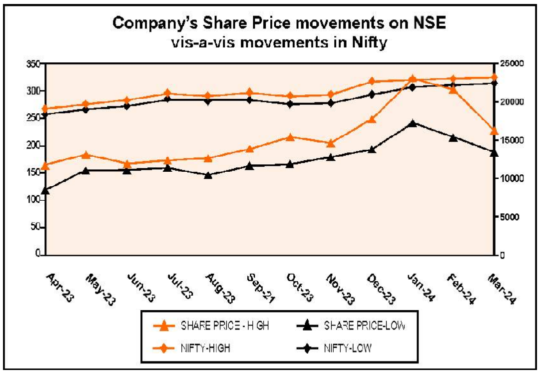
(iv) Stock Market Data:–

High - Low share price performance in comparison to broad-based indices - BSE Sensex and NSE Nifty:

Month & year	BSE				NSE			
	Sensex		GSFC's Share Price (₹)		Nifty		GSFC's Share Price (₹)	
	High	Low	High	Low	High	Low	High	Low
Apr-23	61209.46	58793.08	164.70	119.35	18089.15	17312.75	164.70	119.35
May-23	63036.12	61002.17	183.40	155.90	18662.45	18042.40	183.40	155.80
Jun-23	64768.58	62359.14	166.95	155.50	19201.70	18464.55	166.95	155.45
Jul-23	67619.17	64836.16	172.60	160.55	19991.85	19234.40	172.80	160.55
Aug-23	66658.12	64723.63	177.00	146.15	19795.60	19223.65	177.10	146.15
Sep-23	67927.23	64818.37	193.40	163.50	20222.45	19255.70	193.45	163.30
Oct-23	66592.16	63092.98	215.45	166.40	19849.75	18837.85	215.50	166.20
Nov-23	67069.89	63550.46	204.45	179.15	20158.70	18973.70	204.60	179.10
Dec-23	72484.34	67149.07	247.60	193.20	21801.45	20183.70	246.90	193.10
Jan-24	73427.59	70001.60	322.45	241.00	22124.15	21137.20	322.25	240.85
Feb-24	73413.93	70809.84	302.50	215.65	22297.50	21530.20	302.90	215.60
Mar-24	74245.17	71674.42	227.30	187.65	22526.60	21710.20	227.20	187.50

The graphical presentations is presented to depict the movement of monthly high/ low share prices of the Company's Shares on BSE and NSE vis-à-vis the movements in the Sensex and Nifty during the period from April 2023 to March 2024.





(f) Share Transfer System and Registrars & Share Transfer Agents of the Company:

The Registrar and Transfer Agent of the Company is Link Intime India Pvt. Ltd., located at Geetakunj, 1, Bhaktinagar Society, Behind ABS Tower, Old Padra Road, Vadodara - 390 015.

In terms of Regulation 40(1) of the Listing Regulations, transfer of securities held in physical mode has been discontinued w.e.f. 1st April, 2019. Accordingly, the transfer of securities would be carried out only in dematerialised form.

All requests for de-materialization / re-materialization of shares are processed and confirmation is sent to the depositories by the Registrars & Share Transfer Agents of the Company generally within 10 days from the date of the receipt thereof.

(g) Distribution of Shareholding as on 31st March, 2024:

Pattern of Shareholding (Category wise):

Category	No. of Shares	% to Total Capital
Promoter: Gujarat State Investments Limited	15,07,99,905	37.84
Public Financial Institutions, Insurance Companies & Mutual Fund	1,74,90,283	4.39
Companies & Banks	9,02,12,853	22.64
Individuals, Co-operative Societies & Co-operative Banks	13,99,74,489	35.13
Total	**39,84,77,530**	**100.00**

Pattern of Shareholding (Shareholding wise):

Category (No. of Shares) From To	**No. of Shareholders**	**%**	**No. of Shares**	**%**
Upto 500 Shares	290009	88.38	31096337	7.80
501 - 1000	18658	5.69	14807278	3.72
1001 - 2000	9885	3.01	14988051	3.76
2001 - 3000	3339	1.02	8527415	2.14
3001 - 4000	1485	0.45	5359039	1.34
4001 - 5000	1283	0.39	6091061	1.53
5001 - 10000	1862	0.57	13823564	3.47
10001 and above	1607	0.49	303784785	76.24
Total		**100.00**	**39,84,77,530**	**100.00**

Unclaimed Shares:

Transfer of unpaid / unclaimed dividend amounts and shares to Investor Education and Protection Fund (IEPF) & process to claim from IEPF Authority:

In terms of the Sections 125 and 124 of the Act read with Investor Education and Protection Fund Authority (Accounting, Auditing, Transfer and Refund) Rules, 2016 (IEPF Rules), the dividend amount that remains unclaimed for a period of seven years or more is required to be transferred to the IEPF administered by the MCA, along with the corresponding shares to the demat account of IEPF Authority.

During the year under review, the unclaimed dividend amount for the year 2015-16 along with corresponding shares were transferred to the IEPF established by the Central Government under applicable provisions of the Act. Company had communicated to all the concerned shareholders individually whose dividend and shares were liable to be transferred to IEPF. Company had also given newspaper advertisements, before such transfer in favour of IEPF. Company had also uploaded the details of such shareholders and shares transferred to IEPF on the website of the Company at https://www.gsfclimited.com/transfer-of-share-to-iepf.

Details of unpaid dividend account and due dates of transfer to the IEPF is given below:

Sl.	**Financial Year**	**Declaration Date**	**Due date of transfer to IEPF**
1	2016-17	16-09-2017	22-10-2024
2	2017-18	28-09-2018	03-11-2025
3	2018-19	27-09-2019	02-11-2026
4	2019-20	30-09-2020	05-11-2027
5	2020-21	27-09-2021	02-11-2028
6	2021-22	27-09-2022	02-11-2029
7	2022-23	22-09-2023	28-10-2030

The Members who have a claim on above dividends and/or shares are requested to follow the below process:

(a) Submit self-attested copies of documents provided in IEPF 5 helpkit, which is available on IEPF website (www.iepf.gov.in) to the Company / Registrar and Transfer Agent (RTA).

(b) After verification of the aforesaid documents submitted, Company will issue an entitlement letter.

(c) File Form IEPF-5 on IEPF website and send self-attested copies of IEPF-5 form along with the acknowledgement (SRN), Indemnity bond and entitlement letter to Company.

(d) On receipt of the physical documents mentioned above, Company will submit e-Verification report, for further processing by the IEPF Authority.

(e) Members are requested to note that no claims shall lie against the Company in respect of the dividend/shares transferred to IEPF.

Equity shares in the Unclaimed Suspense Demat Account

Pursuant to SEBI Circular dated 25th January, 2022, to enhance the shareholders experience in dealing with securities markets, the listed companies shall issue the securities in dematerialized form only, while processing any investor service requests viz., issue of duplicate share certificates, endorsement, transmission, transposition.

After processing the investor service request(s), a Letter of Confirmation ('LOC') is issued to the shareholders in lieu of a physical securities certificate. LOC is valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerializing the said securities/shares. In case the shareholders fail to submit the dematerialisation request within 120 days, the Company shall then credit those securities to the Unclaimed Suspense Demat Account held by the Company. The shareholders can reclaim these shares from the Company's Unclaimed Suspense Demat Account on submission of documentation prescribed by SEBI.

The details of equity shares in the Unclaimed Suspense Demat account are as follows:

Sr. No.	Description	No. of Shareholder/s	No. of Shares
1	Aggregate number of shareholder and outstanding shares in the Unclaimed Suspense Demat Account at the beginning of the year i.e. 1st April 2023	50	3120
2	Number of shareholders who approached the Company for transfer of shares from Unclaimed Suspense Demat Account suspense account during the year 2023-24	-	-
3	Number of shareholders whose shares were transferred to the Unclaimed Suspense Demat Account during the year 2023-24.	-	-
4	Number of shareholder whose shares were transferred from the Unclaimed Suspense Demat Account to the IEPF Authority during the year 2023-24	26	1380
5	Aggregate number of shareholder and outstanding shares in the Unclaimed Suspense Demat Account at the end of the year i.e. 31st March 2024	24	1740

- No pledge has been created over the Equity Shares held by the Promoters as on 31/03/2024.
- 98.49% of the Equity Shares have been dematerialized till 31/03/2024. The Company's Equity Shares are to be compulsorily dealt in dematerialized form since 26/06/2000.
- The Company has paid the Annual Custody Charges to National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) for the year 2024-25.
- Dividend @ 200% i.e. Rs.4 per share of Rs.2/- each has been recommended by the Board of Directors on the Equity Shares which shall be paid/ distributed within the stipulated period on or after 30th September, 2024 upon its approval by the Shareholders in the ensuing 62nd Annual General Meeting.
- The Company has paid Rs.13.54 lakhs as total audit fees for all services by the statutory auditor in terms of Schedule V(C)-10(k) of Listing Regulations.
- The Company has not raised funds raised through preferential allotment or qualified institutions placement, therefore, disclosure in terms of Regulation 32 (7A)- read with Schedule V(C)-10(h)is not applicable to the Company;
- The Company has obtained as a certificate from Shri Niraj Trivedi, Practicing Company Secretary (CP No. 3123) to the effect that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board / Ministry of Corporate Affairs or any such statutory authority in terms of Schedule V(E) of Listing Regulations;
- The Board has accepted all the recommendations of all its committees, during the financial year in terms of Schedule V(C)-9(n) of Listing Regulations.
- The Company is not currently involved in commodity hedging activity.
- In respect of adoption of other non-mandatory requirements as specified in Part E of Schedule II of the SEBI (LODR) Regulations, 2015, the Company will review its implementation at appropriate time.
- Unit-wise Plant locations :

  The Company's Units are located as follows:

Baroda Unit	Fertilizernagar - 391 750, Dist. Vadodara.
Polymers Unit	P. O. Petrochemicals, Dist. Vadodara.
Fibre Unit	Kuwarda, Dist. Surat.
Sikka Unit	Moti Khawdi, Dist. Jamnagar

Outstanding global depository receipts or American receipts or warrants or any convertible instruments, conversion date and likely impact on equity: Nil

(j) Address for Correspondence:

The shareholders may send their communications at the registered office of the Company at the following address:

Company Secretary

Gujarat State Fertilizers & Chemicals Limited, Fertilizernagar - 391750, Dist. Vadodara

Tel Nos. 0265-2242451/2242651/2242751, Fax Nos.0265-2240966/2240119

Email: investors@gsfcltd.com Website: www.gsfclimited.com

Or

Registrars & Transfer Agents for Equity Shares of the Company:

R&T Name & Address: **Link Intime India Pvt. Limited,**

Geetakunj, 1, Bhaktinagar Society, Behind ABS Tower, Old Padra Road, Vadodara - 390 015.

Tel No: +91 265 -3566768 E-mail id: vadodara@linkintime.co.in

Website: www.linkintime.co.in

R&T HO Address: Link Intime India Pvt Limited, C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083,

Tel No : +91 22 49186270

(k) List of all credit ratings for the Financial Year 2023-24

Credit Rating	Issuing Agency	Facilities
CARE AA+; STABLE	CARE Ratings	Long Term Bank Facilities
IND AA+	India Ratings & Research	Long Term Bank Facilities
CARE A1+	CARE Ratings	Short Term Bank Facilities, Commercial Paper
IND A1+	India Ratings & Research	Short Term Bank Facilities

Sub: Affirmation of compliance with the Code of Conduct by all Board Members & Sr. Management of the Company for the Financial Year 2023-24.

Based on the confirmations received from Board Members & Members of Sr. Management of the Company, I hereby affirm that all the Board Members & Members of Sr. Management of the Company have complied with the Code of Conduct as approved by the Board of Directors of the Company for the Financial Year 2023-24.

Sd/-
Shri Kamal Dayani
Managing Director
DIN : 05351774

Date : 11/07/2024
Place : Vadodara

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to the Regulation 34 (3) and Schedule V Para C Clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED
(CIN: L99999GJ1962PLC001121)
P. O. Fertilizernagar,
Vadodara – 391 750.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Gujarat State Fertilizers & Chemicals Limited, having CIN: L99999GJ1962PLC001121 and having Registered Office situated at P.O. Fertilizernagar, Vadodara – 391 750 (Hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with the Regulation 34(3) read with Schedule V Para C Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (Including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID – 19 pandemic, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024, has been debarred or disqualified from being appointed or continuing as the Director of the Company, by Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA) or any such other Statutory Authority:-

Sr. No.	Name of the Directors	DIN	Date of Appointment* in the Company*
1	Ravindra Harshadrai Dholakia	00069396	02/09/2020
2	Raj Kumar	00294527	21/02/2023
3	Tapan Ray	00728682	02/09/2020
4	Gauri Kumar	01585999	02/09/2020
5	Mamta Verma	01854315	01/07/2021
6	Jagdish Prasad Gupta	01952821	14/12/2021
7	Kamal Dayani	05351774	01/02/2024
8	Sudhir Kumar Jain	03646016	02/09/2020

* The date of appointment is as per the MCA Portal.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on the based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date : 24TH August, 2024
Place : Vadodara

SIGNATURE : **Sd/-**
NAME OF PCS : **NIRAJ TRIVEDI**
FCS : **3844**
C.P. NO. : **3123**
UDIN : **F003844F001041243**

CORPORATE GOVERNANCE CERTIFICATE

For the Financial Year ended March 31, 2024

[pursuant to Schedule V - Part E of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015]

To the Members

Gujarat State Fertilizers & Chemicals Limited

We have examined the compliance of the conditions of Corporate Governance by Gujarat State Fertilizers & Chemicals Limited ("Company") for the Financial Year ended March 31, 2024 ("review period"), as per the relevant provisions of Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Governance. It is neither an audit nor an expression of an opinion on the financial statement of the Company.

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

We state that in respect of investor grievances received during the period under review, no such grievance is pending against the Company, as per the records maintained by the Company and presented to the Stakeholders Relationship Committee.

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

Sd/-
Suresh Kumar Kabra
Partner

Samdani Kabra & Asso.
Company Secretaries
ACS No 9711; CP No. 9927

UDIN: A009711F001020556
Peer review Certificate No. 884/2020

Place : Vadodara
Date : 23rd August, 2024

FINANCIAL HIGHLIGHTS OF TEN YEARS

PARTICULARS	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
OPERATING RESULTS										(₹ in Crores)
GROSS INCOME	9308	11445	9178	7683	7730	8679	6404	5477	6326	5563
GROSS PROFIT	847	1750	1483	690	297	791	610	478	694	675
DEPRECIATION	183	182	178	176	170	125	119	103	97	101
EXCEPTIONAL ITEMS	0	0	0	0	0	0	0	-	-	-
PROFIT/(LOSS) BEFORE TAX	664	1568	1305	513	127	665	491	375	597	574
TAX	140	275	414	96	28	172	15	-45	188	173
PROFIT/(LOSS) AFTER TAX	524	1293	891	418	99	494	476	420	409	401
DIVIDEND	159.39	398.48	100	88	48	88	88	88	88	88
DIVIDEND TAX	0	0	0	0	0	18	18	18	18	18
AMOUNT PER SHARE (RUPEES)*										
SALES	**224**	284	226	188	191	215	158	137	159	134
EARNING	**13**	32	22	10	2	12	12	11	10	10
CASH EARNING	**18**	34	29	17	7	17	14	11	12	13
EQUITY DIVIDEND	**4**	10	2.5	2.2	1.2	2.2	2.2	2.2	2.2	2.2
BOOK VALUE	**316**	300	293	229	171	182	182	165	122	112
MARKET PRICE:										
HIGH	**322**	199	169	107	111	138	166	132	91	125
LOW	**119**	115	82	36	30	86	113	64	57	53

* Per share figures are based on face value of ₹ 2/- per share.

Figure from 2015-16 are as per IND AS

Independent Auditor's Report

TO THE MEMBERS OF GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Gujarat State Fertilizers & Chemicals Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and the other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Key Audit Matter	Auditor's Response
Evaluation of uncertain tax positions: The company has material uncertain tax positions for liability of ₹ 23,781.76 Lakhs including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Refer Note 38 to the standalone financial statements.	***Principal Audit Procedures*** Our audit procedure included: • Evaluated the related accounting policy for provisioning for tax exposures and obtained details of completed tax assessments and demands up to the year ended March 31, 2024 from the management. • Evaluated auditee's response /opinion taken from various tax experts by auditee to challenge the underlying assumptions in estimating the tax provision and the possible outcome of the disputes. We also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. • Additionally, we considered the effect of new information in respect of uncertain tax positions as at March 31, 2024 to evaluate whether any change was required to management's position on these uncertainties. We evaluated the adequacy of disclosures in the standalone financial statements. Based on the above procedures performed, the results of management's assessment were considered to be consistent with the outcome of our procedures.

Key Audit Matter	Auditor's Response
Impairment of property, plant and equipment: The Company has discontinued its operations at Fiber & Polymer unit due to non-viability of its products. Carrying Value of the assets of the Fiber & Polymer unit as on March 31, 2024 works out to ₹ 4,688.93 Lakhs & ₹ 135.28 Lakhs respectively. We have considered this issue to be a key audit matter because the analysis performed by management requires the use of complex estimates and judgments regarding the future earnings performances / recoverable amount of the currently discontinued units to which the aforementioned assets belong.	***Principal Audit Procedures*** Our audit procedure included: • Evaluated the management's various viable proposals, impairment calculations, assessing the net recoverable value of the currently discontinued units used in the models, and the process by which they were drawn up, including comparing them to the latest circle rates of the Land, and testing the underlying calculations. Based on our audit procedures, we found management's assessment in determining the carrying value of the property, plant and equipment of Fiber and Polymer unit to be reasonable. Refer Note 48(i) to the standalone financial statements.
Assessment of implications of Government policies/notifications on recognition of subsidy revenue and its recoverability: During the year, the company has recognised subsidy revenue amounting to ₹ 3,53,338.54 Lakhs and the aggregate amount of subsidy receivable as at March 31, 2024 is ₹ 1,10,630.80 Lakhs. The amount of subsidy income and the balance receivable are significant to the standalone financial statements. We focused on this area since the recognition of subsidy revenue and the assessment of recoverability of the related subsidy receivables is subject to significant judgments of the management. The areas of subjectivity and judgment include interpretation and satisfaction of conditions specified in the notifications / policies in the estimation of timing and amount of recognition of subsidy revenue, likelihood of recoverability and allowance if any in relation to the outstanding subsidy receivables.	***Principal Audit Procedures*** Our audit procedure included: • Understood and evaluated the design and tested the operating effectiveness of controls as established by the management in recognition of subsidy revenue and assessment of the recoverability of outstanding subsidy. • Evaluated the management's assessment regarding reasonable certainty of complying with the relevant conditions as specified in the notifications / policies. We also reviewed the calculation of urea concession income including escalation / de-escalation adjustments as per relevant policy parameters in this regard. • We assessed the reasonableness of the recoverability of subsidy receivable by reviewing the management's analysis and information used to determine the recoverability of subsidy receivable, ageing of receivables and historical collection trends and evaluated adequacy of disclosures in the standalone financial statements. Based on the above procedures performed, the management's assessment of implications of government notifications / policies on recognition of subsidy revenue and its recoverability was considered to be reasonable.
Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers": The company primarily manufactures and sells a number of fertilizer and chemical products to its customers, mainly through its own distribution network. Sales contracts specifically w.r.t Bill and Hold transaction contains constructive obligation for transfer of control to the buyer. As per the terms of the contract with the customers, the company used to recognize the sale based on the invoicing and considering the transfer of control and other criteria set out in para B81 of Ind AS 115. Refer Note 45 to the standalone financial statements.	***Principal Audit Procedures*** Our audit procedure: • Focused on transactions occurring within proximity of the year end in the Fertilizer segment, obtaining evidence to support the appropriate timing of revenue recognition based on terms and conditions set out in sales contracts, delivery documents and dealers' confirmation. Based on the above procedures performed, we found management's assessment in recognizing the revenue for Bill & Hold transactions are to be reasonable.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report (i.e. the Board's Report and Annexure to Board's Report, Business Responsibility & Sustainability Report, Management Discussion and Analysis, Corporate Governance Report and Shareholder's Information) but does not include the standalone financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 (Revised) 'The Auditor's Responsibilities Related to Other Information'.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure 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 Statement Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
    d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
    e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"** to this report**.**
    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 managerial remuneration has been paid/provided by the company to its directors during the year is in accordance with provisions of Section 197 read with Schedule V 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note no 38 to the standalone financial statements;

ii. Provision has been made in the standalone financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor's Education and Protection Fund by the company during the year.

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

(b) The management has represented, that, to the best of their knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

v. The final dividend proposed in the previous year, declared and paid by the company during the year, is in compliance with section 123 of the Act.

As stated in note 20 to the standalone financial statement, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Based on 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.

As proviso to Rule 3(1) of the Companies(accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For Parikh Mehta & Associates
Chartered Accountant
Firm Reg. No.: 112832W

Sd/-
Tejal Parikh
Partner
Membership No. 109600
UDIN : 24109600BKACFY3323

Place : Gandhinagar
Date : May 21, 2024

ANNEXURE "A" TO INDEPENDENT AUDITORS' REPORT FOR THE PERIOD ENDED MARCH 2024

(Referred to in Paragraph 1 under the Heading of "Report on Other Legal and Regulatory Requirements" section of our Report of even date)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of accounts and other records examined by us in the normal course of audit, we report that:

(i) In respect of the Company's Property, Plant & Equipment and Intangible Assets;

a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment, Capital Work in Progress and relevant details of Right-of-Use Assets.

B) The Company has maintained proper records showing full particulars, of Intangible Assets.

b) The Company has a programme of physical verification to cover all the items of Property, Plant & Equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant & Equipment were physically verified by the management during the year and no material discrepancies were noticed on such verification.

c) Based on our verification of the documents provided to us and according to the information and explanation given by the management, the title deeds of all immovable properties (other than those that have been taken on lease) disclosed in the standalone financial statements are held in the name of the Company as at the balance sheet date. In respect of immovable properties that have been taken on lease and disclosed in the standalone financial statements as at the balance sheet date, the lease agreements are duly executed in favor of the Company, except for following: **(₹ in Lakhs)**

Description of immovable properties taken on lease	Gross Carrying Value (as at the Balance Sheet Date)	Carrying Value (as at the Balance Sheet Date)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of company*
Dahej Land	30,860.19	27,372.98	-	No	99	The Lease deed execution is pending because of technical issues like Gaucher land, land occupied by Canal & wells/approachroads, etc. *(not in dispute)

d) The Company has not revalued its Property, Plant and Equipment (including Right of Use Assets) and Intangible assets during the year.

e) According to the information and explanations given to us and on the basis of examination of the records of the Company, no proceedings have been initiated nor pending against the Company as of March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made there under.

(ii) In respect of Inventories

a) Inventories, except goods-in-transit, were physically verified during the year by the management at reasonable intervals. The coverage and procedure of such verification by the management is appropriate having regard to size of the Company and nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on physical verification of inventories when compared with books of account.

b) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupee, in aggregate, from banks during the year, on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company of the respective quarters.

(iii) In respect of Investment made, guarantee or security provided or grant of loans and advances in the nature of loans, secured or unsecured to companies, firms, Limited Liabilities Partnership or any other parties :

a) In our opinion and according to the explanation given to us, the Company has granted loans or provided advances in the nature of loans during the year as follows: **(¹ in Lakhs)**

Particulars	Loans
Aggregate amount of loan given during the year:	
- Employees	2,306.15
Balance outstanding as at the balance sheet date in respect of above case:	
- Employees	25,335.95

b) According to the information and explanations given to us and based on the audit procedures carried out by us, in our opinion the investments made during the year and the terms and conditions of the grant of loans provided during the year are prima facie, not prejudicial to the interest of the Company. The Company has not provided any guarantee during the year.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advances in the nature of loans to any party during the year.

d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or freshloans granted to settle the overdue of existing loans given to same parties.

f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Hence reporting under clause 3(iii)(f) of the Order does not arise.

(iv) The Company has not given any loans, investments, guarantee and security under Section 185 of the Act. In respect of the investments made and loans given, in our opinion and according to the information and explanation given to us and on the basis of examination of records of the Company, the Company has complied with the provision of Section 186 of the Act.

(v) According to the information and explanation given to us, the Company has not accepted any deposits from the public during the year and consequently the directives issued by Reserve Bank of India, the provisions of Section 73 to 76 of the Act and Rules framed there under are not applicable to the Company. Accordingly, reporting under clause 3(v) of the Order does not arise.

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

(vii) **In respect of statutory dues**

a) In our opinion and according to the information and explanation given to us, the Company has generally been regular in depositing its undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs duty, Excise Duty, Cess and other statutory dues applicable to it to the appropriate authorities. There are no undisputed statutory dues outstanding for more than six months as on March 31, 2024.

b) According to the information and explanations given to us and on the basis of examination of the records of the Company, detail of dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Goods and Service Tax which have not been deposited as on March 31, 2024 on account of disputes are given below: **(₹ in Lakhs)**

Name of Statute	Nature of Dues	Forum of dispute	Period to which the amount relates	Total Amount (excl. interest and penalty)	Unpaid Amount (excl. interest and penalty)
Central Excise Act,1944	Excise Duty	CESTAT-HO	F.Y. 2014-15	12.75	12.29
		Pr. Commissioner, CGST, Surat	F.Y. 2009-13	367.42	339.86
		Commissioner (Appeals)	F.Y. 1991-95	80.20	80.20
Customs Act,1962	Customs Duty	CESTAT	F.Y. 2016-17	0.96	0.86
		Commissioner (Appeals)	F.Y. 2017-18 F.Y. 2019-22	1,135.20	1,050.06
Finance Act, 1994	Service Tax	Jt. Commissioner, CGST, Vadodara	F.Y. 2013-18	162.65	150.45
		Supreme Court-FU	F.Y. 2010-13	11.51	10.36
		CESTAT-FU	F.Y. 2005-12	134.95	67.95
		CESTAT-HO	F.Y. 2016-18	0.59	0.53
		Dy. Commissioner, CGST, Surat	F.Y. 2013-16	44.05	39.95
Gujarat Value Added Tax Act, 2003	Gujarat Value Added Tax	Joint/Dy Commissioner	F.Y. 2007-08 F.Y. 2012-13	363.87	303.87
		GVAT Tribunal	F.Y. 2006-07 F.Y. 2009-10 F.Y.2011-12	121.55	(35.45)
Central Sales Tax Act, 1956	Central Sales Tax	Additional Commissioner, Sales Tax	F.Y. 1998-99	0.14	0.14
		Assistant Commissioner, West Bengal	F.Y. 1995-96 F.Y. 1997-98	2.21	2.21
		Joint/Dy Commissioner	F.Y. 2006-08	753.35	639.86
		Tribunal	F.Y. 2008-11	1,024.92	744.92
Bihar GST Act, 2017	GST	Commissioner (Appeals)	F.Y. 2017-21	163.32	139.95
UP GST Act, 2017	GST	Commissioner (Appeals)	F.Y. 2017-18	39.29	35.30
Central GST Act, 2017	GST	Commissioner (Appeals)	F.Y. 2017-18	28.23	22.58

(viii) According to the information and explanation given to us, there are no transactions / previously unrecorded income which are required to be recorded in the books of accounts have been surrendered of disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix) a) In our opinion and according to the explanation given to us, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year. Accordingly, reporting under clause 3(ix)(a) of the Order does not arise.

b) In our opinion and according to the explanation given to us, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority. Accordingly, reporting under clause 3(ix)(b) of the Order does not arise.

c) In our opinion and according to the explanation given to us, the Company has not taken any term loan during the year and there are no unutilized term loans at the beginning of the year. Accordingly, reporting under clause 3(ix)(c) of the Order does not arise.

d) On the overall examination of the standalone financial statement of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

e) On the overall examination of the standalone financial statement of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) of the Order does not arise.

f) In our opinion and according to the explanation given to us, the Company has not raised any loans during the year. Accordingly, reporting under clause 3(ix)(f) of the Order does not arise.

(x) a) During the year, the Company has not raised any funds through Initial Public Offer or Further Public Offer (including debt instruments). Accordingly, reporting under clause 3(x)(a) of the Order does not arise.

b) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order does not arise.

(xi) a) Based on the audit procedures performed and according to the explanation provided to us, no fraud by the Company or on the Company have been noticed or reported during the year.

b) According to information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government, during the year and up to the date of this report.

c) According to information and explanations given to us, 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 and as per the information and explanations given to us and based on our examination of the records of the Company, all the transactions with the related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of such transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.

(xiv) a) In our opinion and as per the information and explanations given to us, the Company has adequate internal audit system commensurate with the size and nature of its business.

b) We have considered internal audit reports of the Company issued till the date, for the period of the audit.

(xv) Based on the audit procedures performed and according to the explanations provided to us, the Company has not entered into any non-cash transactions with directors or persons connected with them, during the year. Accordingly, provisions of Section 192 of the Act are not applicable.

(xvi) In respect of the Reserve Bank of India Act, 1934:

a) In our opinion and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India, 1934. Accordingly, reporting under clause 3 (xvi) (a), (b) &(c) of the Order does not arise.

b) In our opinion and explanation given to us, the group does not have any Core Investment Company as part of the group. Accordingly, reporting under clause 3(xvi)(d) of the Order does not arise.

(xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order does not arise.

(xix) According to the information and explanation given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans, and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the

Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) a) There are no unspent amounts towards Corporate Social Responsibility on other than ongoing projects requiring a transfer to a fund specified in Schedule VII to the Act in compliance with second proviso to sub-section (5) of Section 135 of the Act. Accordingly reporting under clause 3(xx)(a) of the Order is not applicable for the year.

b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility amount as at the end of the Balance sheet date to special account within period of 30 days from the end of the said financial year in compliance with the provision of sub-section (6) of section 135 of the Act.

(xxi) In respect of below mentioned companies included in the consolidated financial statements of the Company, whose audits under Section 143 of the Act has not been completed, the CARO report as applicable in respect of those entities are not available and consequently have not been provided to us as on the date of this audit report.

Name of the Company	CIN	Nature of Relationship
GSFC Agrotech Ltd.	U36109GJ2012PLC069694	Subsidiary Company
Vadodara Jal Sanchay Pvt Ltd.	U41000GJ2020PTC114896	Subsidiary Company
Gujarat Port and Logistics Company Ltd.	U63010GJ2020PLC112471	Subsidiary Company
Vadodara Enviro Channel Ltd.	U51395GJ1999PLC036886	Associate Company
Gujarat Green Revolution Company Ltd.	U63020GJ1998PLC035039	Associate Company
Karnalyte Resources Inc.	Not Applicable	Foreign Associate

For Parikh Mehta & Associates
Chartered Accountant
Firm Reg. No.: 112832W

Sd/-
Tejal Parikh
Partner
Membership No. 109600
UDIN : 24109600BKACFY3323

Place : Gandhinagar
Date : May 21, 2024

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 2(f) under the Heading of "Report on Other Legal and Regulatory Requirements" section of our Report of even date)

Report on the Internal Financial Controls under Clause (I) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Standalone Financial Statements of Gujarat State Fertilizers and Chemicals Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on, "the internal financial controls with reference to 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". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A Company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on, "the internal control with reference to 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 Parikh Mehta & Associates
Chartered Accountant
Firm Reg. No.: 112832W

Sd/-
Tejal Parikh
Partner
Membership No. 109600
UDIN : 24109600BKACFY3323

Place : Gandhinagar
Date : May 21, 2024

BALANCE SHEET AS AT 31ST MARCH, 2024

(₹ in lakhs)

Particulars	Note	As at 31st March 2024	As at 31st March 2023
A. ASSETS			
1. Non-current assets			
(a) Property, Plant and Equipments	5	2,50,079.65	2,53,088.47
(b) Capital work-in-progress	5	23,522.56	19,901.86
(c) Right of Use Assets	5	4,018.50	4,151.71
(d) Other Intangible assets	6	256.05	173.88
(e) Financial Assets			
(i) Investments			
- Investments in associates	7	4,749.84	4,749.84
- Investments in others	7	5,90,868.71	5,23,109.74
(ii) Others financial assets	8	8,530.43	2,994.73
(f) Income tax assets (Net)	23	6,130.41	6,198.22
(g) Other non current assets	9	40,295.71	33,530.07
		9,28,451.86	**8,47,898.52**
2. Current assets			
(a) Inventories	10	1,20,573.76	1,17,565.54
(b) Financial Assets			
(i) Trade receivable	11	50,198.49	49,151.28
(ii) Government subsidies receivable	12	1,10,630.80	1,76,029.18
(iii) Cash and cash equivalents	13	51,233.33	1,08,257.02
(iv) Bank balances other than (iii) above	14	1,76,762.25	34,025.48
(v) Loans	15	25,886.96	24,793.53
(vi) Others financial assets	16	8,048.04	1,257.78
(c) Other current assets	17	16,178.86	18,308.59
		5,59,512.49	**5,29,388.40**
TOTAL ASSETS		**14,87,964.35**	**13,77,286.92**
B. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	19	7,969.55	7,969.55
(b) Other Equity	20	12,53,121.83	11,88,382.93
		12,61,091.38	**11,96,352.48**

BALANCE SHEET AS AT 31ST MARCH, 2024

(₹ in lakhs)

Particulars	Note	As at 31st March 2024	As at 31st March 2023
LIABILITIES			
1. Non-current liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities - Non Current	24	152.12	148.23
(b) Provisions	21	56,814.78	31,060.53
(c) Deferred tax liabilities (Net)	23	44,651.49	47,308.47
		1,01,618.39	**78,517.23**
2. Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	250.45	-
(ii) Lease Liabilities - Current	24	108.30	90.62
(iii) Trade payables	25		
- Total outstanding dues of micro enterprise and small enterprise		1,762.34	1,486.79
- Total outstanding dues of creditors other than micro enterprise and small enterprise		73,402.76	57,156.26
(iv) Other financial Liabilities	26	29,193.95	24,849.54
(b) Other current liabilities	27	5,256.18	6,893.22
(c) Provisions	28	14,325.00	9,622.10
(d) Current tax liabilities (Net)	23	955.60	2,318.68
		1,25,254.58	**1,02,417.21**
TOTAL EQUITY & LIABILITIES		**14,87,964.35**	**13,77,286.92**
See accompanying notes forming part of the financial statements	1 to 49		

In terms of our report attached.

For **Parikh Mehta & Associates**
Chartered Accountants
Firm Registration No.: 112832W

Tejal Parikh
Partner
Membership No.: 109600

Kamal Dayani
Managing Director
(DIN-05351774)

Tapan Ray
Director
(DIN-00728682)

V. D. Nanavaty
ED (Finance) & CFO

Nidhi Pillai
Company Secretary

Gandhinagar
21st May, 2024

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lakhs)

Particulars	Note	Year Ended 31st March	
		2024	2023
I Income			
Revenue from operations	29	8,93,211.55	11,29,802.67
Other income	30	37,617.34	14,648.52
Total income		**9,30,828.89**	**11,44,451.19**
II Expenses			
Cost of materials consumed	31	4,76,112.72	5,85,134.00
Purchase of stock in trade		76,683.23	1,02,011.77
Changes in inventories of finished goods, work in process and stock in trade	32	13,922.96	540.74
Power and Fuel		1,09,450.51	1,24,965.03
Employee benefits expense	33	83,637.24	65,646.29
Finance costs	34	1,119.34	1,489.42
Depreciation and amortization expense		18,302.06	18,151.31
Other expenses	35	85,163.26	89,759.06
Total Expenses		**8,64,391.32**	**9,87,697.62**
III Profit before tax		**66,437.57**	**1,56,753.57**
IV Tax expense			
Current tax		15,165.53	41,033.58
Deferred tax	23	(227.92)	(11,567.89)
Tax related to earlier years	23	(932.33)	(2,019.74)
V Profit for the year		**52,432.29**	**1,29,307.62**
VI Other Comprehensive Income			
(A) Items that will be reclassified to profit or loss		-	-
(B) Items that will not be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit plans		(30,115.20)	3,614.58
Income tax effect on above		7,579.40	(1,918.38)
Net fair value (loss) / gain on investments in equity instruments at FVTOCI		79,840.50	(1,00,728.72)
Income tax effect on above		(5,150.34)	9,169.31
Net other comprehensive income that will not be reclassified to profit or loss		**52,154.36**	**(89,863.21)**
VII Total Comprehensive Income for the year (V+VI)		**1,04,586.65**	**39,444.41**
Earnings per equity share (face value of ₹ 2/- each)			
Basic and Diluted Earnings per equity share:	36	**13.16**	**32.45**
See accompanying notes forming part of the financial statements	1 to 49		

In terms of our report attached.

For **Parikh Mehta & Associates**
Chartered Accountants
Firm Registration No.: 112832W

Tejal Parikh
Partner
Membership No.: 109600

Kamal Dayani
Managing Director
(DIN-05351774)

Tapan Ray
Director
(DIN-00728682)

V. D. Nanavaty
ED (Finance) & CFO

Nidhi Pillai
Company Secretary

Gandhinagar
21st May, 2024

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lakhs)

Particulars	Year Ended 31st March	
	2024	2023
A Cash Flow From Operating Activities :		
Profit Before Tax	66,437.57	1,56,753.57
Adjustments for :		
Depreciation and amortisation expense	18,302.06	18,151.31
Amortisation of lease hold land	297.53	297.53
Unrealised Foreign Exchange(Gain)/Loss	(141.53)	(329.83)
Provision for Assets Retiring Obligation	213.35	196.74
Finance cost	654.74	1,005.20
Interest income	(14,102.50)	(5,626.74)
Loss/ (Profit) on fixed assets sold/written off	30.53	(128.49)
Dividend income	(14,716.10)	(5,239.54)
Excess Provision written Back	(4,909.83)	-
Provision for doubtful debts/advances	125.44	157.63
Operating Profit before Working Capital Changes	**52,191.26**	**1,65,237.38**
Movements in working capital:		
Inventories	(3,008.22)	12,320.46
Trade receivables, loans and advances and other assets	(78,785.80)	(18,480.84)
Trade payables, other current liabilities and provision	17,934.59	(19,621.10)
Cash Generated from Operations	**(11,668.17)**	**1,39,455.90**
Direct taxes paid (net of refunds)	(15,528.47)	(46,532.47)
Net Cash Flow from Operating Activities	**(27,196.64)**	**92,923.43**
B Cash Flow From Investing Activities :		
Purchase of property, plant & equipments (including CWIP & capital advances)	(24,004.89)	(14,175.34)
Purchase of non current investments	-	(1,978.56)
Sale of investments	12,267.32	-
Interest received	7,505.85	6,931.48
Dividend received	14,716.10	5,239.54
Net Cash Flow used in Investing Activities	**10,484.38**	**(3,982.88)**
C Cash Flow From Financing Activities		
Net increase/(decrease) in short term borrowings	250.45	(282.27)
Interest paid	(622.01)	(968.71)
Dividend paid	(39,765.40)	(9,991.06)
Lease Liability Payment	(141.73)	(133.04)
Lease Interest Paid	(32.73)	(36.49)
Net Cash Flow from/ (used in) Financing Activities	**(40,311.42)**	**(11,411.58)**
Net Increase/ (Decrease) in Cash & Cash Equivalents	**(57,023.68)**	**77,528.97**
Cash and Cash Equivalents as at the beginning of the year	**1,08,257.02**	**30,728.05**
Cash and Cash Equivalents as at end of the year (Refer Note-13)	**51,233.33**	**1,08,257.02**
Notes:		
Components of Cash and cash equivalents		
Cash on hand	4.69	4.06
Balances with banks		
In current accounts	2,632.85	2,663.45
Debit balance in Cash Credit Account	5,595.69	3,087.41
Deposit with original maturity of less than three months	43,000.10	1,02,502.10
Liquid Deposits with Financial Institutions	-	-
Total Cash and cash equivalents	**51,233.33**	**1,08,257.02**
The Cash flow statement has been prepared under the indirect method as set out in the Indian Accounting Standard 7 on Cash Flows Statement.		
See accompanying notes forming part of the financial statements		

In terms of our report attached.

For **Parikh Mehta & Associates**
Chartered Accountants
Firm Registration No.: 112832W

Tejal Parikh
Partner
Membership No.: 109600

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Nidhi Pillai
Company Secretary

Gandhinagar
21st May, 2024

STATEMENT OF CHANGES IN EQUITY (SOCIE)

Note (a) : Equity share capital (₹ in lakhs)

Particulars	Amount
Balance as at April 01, 2022	7,969.55
Changes in equity share capital due to prior period errors	-
Restated balance as at April 01, 2022	7,969.55
Changes in equity share capital during the year	-
Balance as at March 31, 2023	7,969.55
Balance as at April 01, 2023	7,969.55
Changes in equity share capital due to prior period errors	-
Restated balance as at April 01, 2023	7,969.55
Changes in equity share capital during the year	-
Balance as at March 31, 2024	7,969.55

Note (b) : Other equity (₹ in lakhs)

Particulars	Reserves & Surplus					Items of OCI	Total Equity
	Capital reserve	Security premium	Capital redemption reserve	General reserve	Retained earnings	Equity Instruments through OCI	
Balance as at April 01, 2022	**1,256.33**	**30,524.02**	**3,335.00**	**5,56,153.31**	**68,385.23**	**4,99,246.81**	**11,58,900.70**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated Balance as at 1st April, 2022	1,256.33	30,524.02	3,335.00	5,56,153.31	68,385.23	4,99,246.81	11,58,900.70
Profit for the year	-	-	-	-	1,29,307.62	-	1,29,307.62
Other comprehensive income for the year net of income tax	-	-	-	-	-	(91,559.41)	(91,559.41)
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	-	1,696.20	-	1,696.20
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**1,31,003.82**	**(91,559.41)**	**39,444.41**
Dividends paid [Note 20]	-	-	-	-	(9,962.18)	-	(9,962.18)
Transfer to General reserve	-	-	-	49,000.00	(49,000.00)	-	-
Balance as at March 31, 2023	**1,256.33**	**30,524.02**	**3,335.00**	**6,05,153.31**	**1,40,426.87**	**4,07,687.40**	**11,88,382.93**
Balance as at April 01, 2023	**1,256.33**	**30,524.02**	**3,335.00**	**6,05,153.31**	**1,40,426.87**	**4,07,687.40**	**11,88,382.93**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated Balance as at 1st April, 2023	1,256.33	30,524.02	3,335.00	6,05,153.31	1,40,426.87	4,07,687.40	11,88,382.93
Profit for the year	-	-	-	-	52,432.29	-	52,432.29
Other comprehensive income for the year net of income tax	-	-	-	-	-	74,690.16	74,690.16
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	-	(22,535.80)	-	(22,535.80)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**29,896.49**	**74,690.16**	**1,04,586.65**
Dividends paid [Note 20]	-	-	-	-	(39,847.75)	-	(39,847.75)
Transfer to General reserve	-	-	-	20,000.00	(20,000.00)	-	-
Balance as at March 31, 2024	**1,256.33**	**30,524.02**	**3,335.00**	**6,25,153.31**	**1,10,475.61**	**4,82,377.56**	**12,53,121.83**

See accompanying notes forming part of the financial statements

In terms of our report attached.

For **Parikh Mehta & Associates**
Chartered Accountants
Firm Registration No.: 112832W

Tejal Parikh
Partner
Membership No.: 109600

Kamal Dayani
Managing Director
(DIN-05351774)

Tapan Ray
Director
(DIN-00728682)

V. D. Nanavaty
ED (Finance) & CFO

Nidhi Pillai
Company Secretary

Gandhinagar
21st May, 2024

Notes to the financial statements for the year ended March 31, 2024

1. Corporate Information

Gujarat State Fertilizers and Chemicals Limited "the Company" is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company is principally engaged in production of fertilizers and chemicals. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at Fertilizernagar - 391 750, Dist. Vadodara.

These financial statements were authorised for issuance by the Board of Directors of the Company in their meeting held on May 21, 2024.

2. Basis of preparation of financial statements

2.1 Basis of preparation and compliance with Ind AS

The standalone financial statements are prepared in accordance with the principles and procedures laid down under the Accounting Standards notified under Section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

2.2 Basis of measurement

The financial statements have been prepared on a going concern basis, using historical cost convention and on an accrual method of accounting, except for the following assets and liabilities which have been measured at fair value, as required by relevant Ind AS.

1. Derivative financial instruments
2. Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
3. Defined benefit plans

2.3 Functional and presentation currency

The financial statements are prepared in Indian Rupees, which is the Company's functional and presentation currency. All financial information presented in Indian Rupees has been rounded to the nearest lakhs with two decimals.

2.4 Current and 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 if it satisfies any of the following criteria:

a) It is expected to be realised or intended to be sold or consumed in the Company's normal operating cycle,

b) It is held primarily for the purpose of trading,

c) It is expected to be realised within twelve months after the reporting period, or

d) It is a cash or cash equivalent unless restricted from being exchanged or used to settle a liability for atleast twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if it satisfies any of the following criteria:

a) it is expected to be settled in the Company's normal operating cycle,

b) it is held primarily for the purpose of trading,

c) it is due to be settled within twelve months after the reporting period

d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current. Current liabilities include current portion of non-current financial liabilities.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

3. Material Accounting Policies

3.1 Revenue recognition

The Company derives revenues primarily from manufacturing of Fertilizers and Chemical Products.

Revenue from Operations is recognised in the Statement of Profit and Loss when:

- The income generating activities have been carried out on the basis of a binding agreement.
- The income can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company.
- Costs relating to the transaction can be measured reliably.

Revenue for all businesses is recognized upon transfer of control of promised goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for the goods and services.

Revenue towards satisfaction of a performance obligation is measured at the amount of the transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of fertilizer products sold is net of variable consideration on account of various discounts, incentives, rebates and GST collected on behalf of Government. Revenue is also recognised on sale of goods in case where the delivery is kept pending at the instance of the customer, as the performance obligation has been satisfied and control are transferred and customer takes title and accepts billing as per usual payment terms.

Sales of industrial products are accounted on the dispatch basis except export sales, which are recognised on the basis of bill of lading on satisfaction of performance and transfer of control.

The amounts receivable from various agencies are accounted for on accrual basis except interest on delayed payments, refunds from customs & excise authorities, insurance claims (other than marine claims), etc. where it is not possible to ascertain the income with reasonable accuracy or in absence of finality of the transaction.

Revenues in excess of invoicing are classified as contract assets (referred as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

Subsidy income

Urea subsidy income is recognised on the basis of the rates notified from time to time by the Government of India on the quantity of fertilisers sold by the Company for the period for which notification has been issued, further adjusted for input price escalation/de-escalation estimated by management, based on prescribed norms as notified by Govt. of India.

Subsidy on Phosphatic and Potassic (P&K) fertilizers is recognized as per concession rates notified by the Government of India in accordance with Nutrient Based Subsidy Policy from time to time and Freight subsidy has been accounted for in line with the policy of the Government of India.

Subsidy on City Compost is recognized based on rates, as notified by the Government of India.

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Interest income is included in other income in the statement of profit and loss.

Dividends

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

Insurance Claims

Claims receivable on account of insurance are accounted for to the extent no significant uncertainty exist for the measurement and realisation of the amount.

Rental Income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

3.2 Taxes:

Tax expense comprises of current income tax & deferred tax

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the rates and tax laws enacted or substantively enacted, at the reporting date in India where the entity operates and generates taxable income.

Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

3.3 Non-current assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

3.4 Property, plant and equipment and intangible assets

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non- refundable taxes and levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the company depreciates them separately based on their specific useful lives. Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost. Otherwise, such items are classified as inventories. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred

.Assets under erection / installation of the existing projects and schemes and on-going projects and schemes are shown as "Capital Work in Progress".

Capital advances given for procurement of Property, plant and equipment are treated as other non-current assets.

In the absence of availability of specific original cost in respect of a part of assets capitalised under turn-key contracts, the original value of such asset written / disposed off is estimated on the basis of its current cost adjusted for price and technological factors.

Major cost of civil works required as plant and machinery supports, on the basis of technical estimates, is considered as Plant & Machinery.

Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Cost of intangible assets comprises of purchase price and attributable expenditure on making the asset ready for its intended use. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Research and Development

Capital expenditure on Research & Development activities is included in Property, plant and equipment to the extent it has alternative economic use. Revenue expenditure pertaining to research activity is charged under respective account heads in the statement of Profit & Loss.

Depreciation methods, estimated useful lives and residual value

Depreciation on Property, plant and equipment is provided on Straight Line Method as per the useful life prescribed in Schedule II to the Company's Act, 2013 or based on technical assessment by the company taking into account the nature of asset, usage of asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes and past history of replacement. Depreciation on additions to Property, plant and equipment and assets disposed off/discarded is charged on pro-rata basis. Depreciation on commissioning of plants and other assets of new projects is charged for the days they are actually available for use.

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and estimated useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Leasehold land, other than that on perpetual lease, is amortized over the life of the lease.

Intangible assets are amortized over their estimated economic lives but not exceeding ten years on a straight-line basis.

The useful lives of the property, plant and equipment are as follows:

Assets	Estimated Useful life
Freehold Land	—
Leasehold Land	20 years
Buildings	30-60 years
Bridge, culverts,bunders,etc.	30 years
Roads	5-10 years
Plant and machinery	15-25 years
Furniture and fittings	10 years
Motor Vehicles	5-10 years
Railway sidings	15 years
Office equipment	5 years
Computers and Data Processing units	3-6 years
Laboratory equipment	10 years
Electrical Installation and Equipment	10 years
Library books	15 years

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.5 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is determined:

(i) In case of individual asset, at higher of the fair value less cost to sell and value in use; and

(ii) In case of cash-generating unit (a Company of assets that generates identified, independent cash flows), at the higher of the cash-generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

3.6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

3.7 Leases

The Company's lease asset primarily consists of leases for immovables. 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: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

Company as a lessee

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") 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 low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense.

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 and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. The higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

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 rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and finance cost portion of lease payments have been classified as financing cash flows.

Company as a lessor

At the inception of the lease, the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income over the lease term on a straight-line basis.

3.8 Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any.

However, Raw material and work-in-progress held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Raw materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined Weighted Average Cost basis.

Finished goods and work-in-progress: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost is determined on Weighted Average Cost basis.

Traded goods: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on Weighted Average Cost basis.

All other inventories of stores and consumables are valued at Weighted Average Cost basis.

Stores and Spares include equipment spare parts, and others which are held as inventory by the Company.

Net realisable value represents the estimated selling price (including subsidy income, where applicable) of inventories less all estimated costs of completion & costs necessary to make the sale.

3.9 Employee benefits

(i) Short-term employee benefits

Short term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

(ii) Post Employment benefits

(a) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company has set up separate recognized Provident Fund trusts for all the units of the Company.

Contributions paid/payable for Provident Fund of eligible employees and National Pension Scheme is recognized in the statement of Profit and Loss each year. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trusts and the interest rate notified by Government.

Liability on account of such shortfall, if any, is provided for based on the actuarial valuation carried out as at the end of the year.

(b) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

Post employment defined benefits plans comprise of gratuity, superannuation and Post Retirement Medical Benefit for eligible employees of the Company. Post employment benefits are recognized as an expense in the statement of profit and loss for the year in which the employee has rendered services. The Company also contributes to a government administered Family Pension fund on behalf of its employees. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. Re-measurement in OCI is reflected immediately in retained earnings and is not reclassified to profit & loss.

(iii) Other long-term employee benefits

Other long-term employee benefits comprise of leave encashment for eligible employees of Company. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise.

3.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(A) Financial Assets

The Company determines the classification of its financial assets at initial recognition. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

The financial assets are classified in the following measurement categories:

a) Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

b) Those to be measured at amortised cost.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss as incurred. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments.

(i) Amortised Cost

The Company classifies its financial assets as at amortised cost only if both of the following criteria are met:

a) The asset is held within a business model with the objective of collecting the contractual cash flows, and

b) The contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

Financial assets at amortised cost include loans, trade and other receivables and other financial assets that are held with the objective of collecting contractual cash flows. After initial measurement at fair value, the financial assets are measured at amortised cost using the effective interest rate (EIR) method, less impairment; other than trade receivables which are measured at transaction price as per Ind As 115.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the Statement of Profit or Loss in other income.

(ii) Fair value through other comprehensive income

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

(iii) Financial assets at fair value through profit or loss

The Company classifies the following financial assets at fair value through profit or loss:

a) Debt investments that do not qualify for measurement at amortised cost;

b) Debt investments that do not qualify for measurement at fair value through other comprehensive income; and

c) Debt investments that have been designated at fair value through profit or loss.

Financial assets at fair value through profit or loss include financial assets held for trading, debt securities and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets at fair value through profit or loss are carried in the Balance Sheet at fair value with net changes in fair value presented as finance costs in profit or loss if the same is considered as an adjustment to borrowing cost. Interests, dividends and gain/loss on foreign exchange on financial assets at fair value through profit or loss are included separately in other income.

If Company elects to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments shall continue to be recognised in profit or loss as other income when the Company's' right to receive payments is established. There are no impairment requirements for equity investments measured at fair value through other comprehensive income. Changes in the fair value of financial assets at fair value through profit or loss shall be recognised in other gain/(losses) in the statement of profit or loss as applicable.

Investments in subsidiaries, joint ventures and associates

Investments in subsidiaries, joint ventures and associates is carried at deemed cost in the separate financial statements.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the assets expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of the transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Impairment of Financial Assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

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

b) Trade receivables or any contractual right to receive cash or other financial asset that result from transactions that are within the scope of Ind AS 18.

An expected credit loss is the probability-weighted estimate of credit losses (i.e. present value of all cash shortfalls) over the expected life of the financial asset. A cash shortfall is the difference between the cash flows that are due in accordance with the contract and the cash flows that the company expects to receive. The expected credit losses consider the amount and timing of payments and hence, a credit loss arises even if the Company expects to receive the payment in full but later than when contractually due. The expected credit loss method requires to assess credit risk, default and timing of collection since initial recognition. This requires recognising allowance for expected credit losses in profit or loss even for receivables that are newly originated or acquired.

Impairment of financial assets is measured as either 12 month expected credit losses or life time expected credit losses, depending on whether there has been a significant increase in credit risk since initial recognition. '12 month expected credit losses' represent the expected credit losses resulting from default events that are possible within 12 months after the reporting date. 'Lifetime expected credit losses' represent the expected credit losses that result from all possible default events over the expected life of the financial asset.

Trade receivables are of a short duration, normally less than 12 months and hence the loss allowance measured as lifetime expected credit losses does not differ from that measured as 12 month expected credit losses. The Company uses the practical expedient in Ind AS 109 for measuring expected credit losses for trade receivables using a provision matrix based on ageing of receivables.

The Company uses historical loss experience and derived loss rates based on the past twelve months and adjust the historical loss rates to reflect the information about current conditions and reasonable and supportable forecasts of future economic conditions. The loss rates differ based on the ageing of the amounts that are past due and are generally higher for those with the higher ageing.

(B) Financial Liabilities

The Company determines the classification of its financial liabilities at initial recognition.

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss. Loans and borrowings, payables are subsequently measured at amortised cost where as derivatives are measured at fair value through profit and loss.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss include financial liabilities to hedge risks which are not designated as hedges. At initial recognition, the Company measures financial liabilities at its fair value. Financial liabilities at fair value through profit and loss are carried in the Balance Sheet at fair value with changes recognised in the Statement of Profit and Loss.

Financial liabilities measured at amortised cost

Financial liabilities are initially recognised at fair value, net of transaction cost incurred and are subsequently measured at amortised cost, using the EIR method. Any difference between the proceeds net of transaction costs and the amount due on settlement or redemption of borrowings is recognised over the term of the borrowing.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest charge over the relevant effective interest rate period. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another 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 a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(C) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counter party.

(D) Derivative financial instruments

The Company's activities expose it to the financial risks of changes in foreign exchange rates and interest rates. The use of financial derivatives is governed by the Company's policies approved by the Board of Directors, which provide written principles on the use of financial derivatives consistent with the Company's risk management strategy. Changes in values of all derivatives of a financing nature are included within financing costs if the same is considered as adjustment to borrowing cost in the Statement of Profit and Loss whereas other foreign exchange fluctuation is disclosed under other expenses. The Company does not use derivative financial instruments for speculative purposes.

Derivative financial instruments are initially measured at fair value on the contract date and are subsequently remeasured to fair value at each reporting date.

(E) Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. For equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

3.11 Foreign currencies

(a) Functional and presentation currency

The financial statements are presented in Indian Rupees, which is the Company's functional and presentation currency. Each entity in the Company determines its own functional currency (the currency of the primary economic environment in which the entity operates) and items included in the financial statements of each entity are measured using that functional currency.

(b) Transactions and balances

Transactions in foreign currencies are initially recorded at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at reporting date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and Loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Profit and Loss within 'Finance costs'. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss within 'Other operating expenses'.

3.12 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

3.13 Segment accounting:

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The Operating segments have been identified on the basis of the nature of products/services.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter Segment revenue is accounted on the basis of transactions which are primarily determined based on market/fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocated to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

The Company has identified two reportable business segments i.e. Fertilizer products and Industrial products. The Company operates mainly in Indian market and there are no reportable geographical segments.

3.14 Provisions, Contingent liabilities, Contingent assets and Commitments: General

Provisions are recognised only when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;

A present obligation arising from the past events, when no reliable estimate is possible;

A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

3.15 Earnings per share

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

3.16 Cash flow statement

Cash flow are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals of accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and finance activities of the Company are segregated.

3.17 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, 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 best economic interest.

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, which gives highest priority to quoted prices in active markets and the lowest priority to unobservable inputs.

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for inputs other than quoted prices included within Level 1 that are observable for the asset or Liability either directly or indirectly.
- Level 3 - Valuation techniques for inputs that are unobservable for the asset or liability.

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.

4. Critical and significant accounting judgements, estimates and assumptions

4.1 Critical estimates and judgements

The following are the critical judgements, apart from those involving estimations that the management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements. Actual results may differ from these estimates. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Useful lives of property, plant and equipment and intangible assets:

Management reviews the useful lives of depreciable assets at each reporting. As at March 31, 2024 management assessed that the useful lives represent the expected utility of the assets to the Company. Further, there is no significant change in the useful lives as compared to previous year.

Allowance for expected credit losses:

Note 41 describes the use of practical expedient by computing the expected credit loss allowance for trade receivables other than subsidy receivables based on provision matrix. The expected credit allowance is based on the aging of the days receivables are due and the rates derived based on past history of defaults in the provision matrix. As regards subsidy receivables, the Company does not believe that there is any credit risk as dues are receivable from the Government and hence no allowance for expected credit loss is made.

Dismantling cost of property, plant and equipment:

The financials include assets retirement obligation on estimate basis for property, plant and equipment. The management estimates dismantling cost considering size of the asset and its useful life in line with industry practices.

Stores and spares inventories:

The Company's manufacturing process is continuous and highly mechanical with wide range of different types of plant and machineries. The Company keeps stores and spares as standby to continue the operations without any disruption. Considering wide range of stores and spares and long lead time for procurement of it and based on criticality of spares, the Company believes that net realizable value would be more than cost.

Fair value of investments:

The Company has invested in the equity instruments of various companies. However, the percentage of shareholding of the Company in some of such investee companies is low and hence, it has not been provided with future projections including projected profit and loss account by those investee companies. Hence, the valuation exercise carried out by the Company with the help of an independent valuer has estimated the fair value at each reporting period based on available historical annual reports and other information in the public domain. In case of other companies, where there are no comparable companies' valuations available (also includes start-up companies) and no further information available for future projections, capacity utilisation, commencement of operations, etc., the method of valuation followed is cost approach. The Company evaluates the aforesaid position at each period end.

Income taxes:

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

4.2. Significant accounting judgements, estimates and assumptions

The preparation of the company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the standalone financial statements:

Determination of lease term & discount rate:

Ind AS 116 leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The company makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the company considers factor such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the company's operations taking into account the location of the underlying asset and availability of the suitable alternatives. The lease term in future period is reassessed to ensure that the lease term reflects the current economic circumstances.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The company based on its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow model. The cash flows are derived from the budget for the next five years and do not include activities that the company is not yet committed to or significant future investments that will enhance the asset's performance of the Cash Generating Unit being tested. The recoverable amount is sensitive to the discount rate used for the Discounted Cash Flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Defined benefit plans

The cost of the defined benefit plans viz. gratuity, superannuation for the eligible employees of the Company 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 operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rate.

Further details about gratuity obligations are given in Note 37.

Provision and contingent liability

On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

Recent Accounting Pronouncements

A. The Company has adopted new and revised standards and interpretations as notified by MCA effective from 1 April 2023 through Companies (Indian Accounting Standards) Amendment Rules 2023. Their adoption has not had any significant impact on the amounts reported in the financial statements.

B. The Ministry of Corporate Affairs has not made any amendments to Companies (Indian Accounting Standards) Rules 2015, during the reporting period which are effective from 1 April 2024.

5. (i) Property, Plant and Equipment

(₹ in lakhs)

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01-Apr-23	Additions	Deductions/ Adjustments	As at 31-Mar-24	As at 01-Apr-23	Charge for the year	Deductions/ Adjustments	As at 31-Mar-24	Balance As at 31-Mar-24	Balance As at 31-Mar-23
Freehold land	3,640.62	410.41	-	4,051.03	-	-	-	-	4,051.03	3,640.62
Buildings	22,312.08	746.71	-	23,058.79	4,946.14	732.41	-	5,678.55	17,380.24	17,365.94
Bridge, culverts,bunders,etc.	0.18	-	-	0.18	0.15	0.01	-	0.16	0.02	0.03
Roads	441.55	87.18	-	528.73	178.39	37.18	-	215.57	313.16	263.16
Plant and machinery	3,04,739.66	12,633.34	1,827.71	3,15,545.29	86,195.38	15,007.48	1,734.89	99,467.97	2,16,077.32	2,18,544.28
Furniture and fittings	1,281.51	122.12	3.35	1,400.28	503.81	134.48	3.16	635.13	765.15	777.70
Motor Vehicles	263.99	36.21	84.22	215.98	118.93	32.10	79.75	71.28	144.70	145.06
Railway sidings	2,208.14	-	-	2,208.14	924.42	121.60	-	1,046.02	1,162.12	1,283.72
Office equipment	1,471.04	100.41	35.11	1,536.34	807.46	145.96	33.35	920.07	616.27	663.58
Computers and Data Processing units	1,330.79	24.69	12.83	1,342.65	529.30	212.26	11.94	729.62	613.03	801.49
Laboratory equipment	1,702.68	114.74	38.25	1,779.17	785.00	150.29	34.05	901.24	877.93	917.68
Electrical Installation and Equipment	14,878.30	800.41	-	15,678.71	6,197.37	1,406.39	-	7,603.76	8,074.95	8,680.93
Library books	16.96	-	-	16.96	12.68	0.55	-	13.23	3.73	4.28
TOTAL	3,54,287.50	15,076.22	2,001.47	3,67,362.25	1,01,199.03	17,980.71	1,897.14	1,17,282.60	2,50,079.65	2,53,088.47

Capital Work In Progress (CWIP) Movement Schedule

Particulars	31-Mar-24	31-Mar-23
Opening Balance	19,901.86	15,743.23
Add. : Additions During the Year	16,580.50	11,635.84
Less : Capitalisation During the Year	12,959.80	7,477.21
Closing Balance	23,522.56	19,901.86

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01-Apr-22	Additions	Deductions/ Adjustments	As at 31-Mar-23	As at 01-Apr-22	Charge for the year	Deductions/ Adjustments	As at 31-Mar-23	Balance As at 31-Mar-23	Balance As at 31-Mar-22
Freehold land	3,616.59	24.03	-	3,640.62	-	-	-	-	3,640.62	3,616.59
Buildings	20,971.43	1,343.91	3.26	22,312.08	4,224.63	721.87	0.36	4,946.14	17,365.94	16,746.80
Bridge, culverts,bunders,etc.	0.18	-	-	0.18	0.13	0.02	-	0.15	0.03	0.05
Roads	441.55	-	-	441.55	143.58	34.81	-	178.39	263.16	297.97
Plant and machinery	3,02,673.97	2,391.10	325.41	3,04,739.66	71,542.83	14960.34	307.79	86,195.38	2,18,544.28	2,31,131.14
Furniture and fittings	1,227.43	57.77	3.69	1,281.51	373.84	133.47	3.50	503.81	777.70	853.59
Motor Vehicles	297.09	43.88	76.98	263.99	160.32	29.26	70.65	118.93	145.06	136.77
Railway sidings	2,208.14	-	-	2,208.14	802.82	121.60	-	924.42	1,283.72	1,405.32
Office equipment	1,287.28	251.31	67.55	1,471.04	715.35	156.23	64.12	807.46	663.58	571.93
Computers and Data Processing units	820.00	562.29	51.50	1,330.79	386.63	191.60	48.93	529.30	801.49	433.37
Laboratory equipment	1,660.86	88.95	47.13	1,702.68	658.08	165.59	38.67	785.00	917.68	1,002.78
Electrical Installation and Equipment	13,356.72	1,530.55	8.97	14,878.30	4,818.76	1387.13	8.52	6,197.37	8,680.93	8,537.96
Library books	16.96	-	-	16.96	11.82	0.90	0.04	12.68	4.28	5.14
TOTAL	3,48,578.20	6,293.79	584.49	3,54,287.50	83,838.79	17,902.82	542.58	1,01,199.03	2,53,088.47	2,64,739.41

5. (ii) Right of Use Assets

(₹ in lakhs)

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01-Apr-23	Additions	Deductions/ Adjustments	As at 31-Mar-24	As at 01-Apr-23	Charge for the year	Deductions/ Adjustments	As at 31-Mar-24	Balance As at 31-Mar-24	Balance As at 31-Mar-23
Leasehold Building	428.80	142.35	100.89	470.26	171.46	130.02	92.64	208.84	261.42	257.34
Leasehold land	4,317.96	-	-	4,317.96	423.59	137.29	-	560.88	3,757.08	3,894.37
TOTAL	4,746.76	142.35	100.89	4,788.22	595.05	267.31	92.64	769.72	4,018.50	4,151.71

(₹ in lakhs)

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01-Apr-22	Additions	Deductions/ Adjustments	As at 31-Mar-23	As at 01-Apr-22	Charge for the year	Deductions/ Adjustments	As at 31-Mar-23	Balance As at 31-Mar-23	Balance As at 31-Mar-22
Leasehold Building	546.08	100.64	217.92	428.80	279.27	92.81	200.62	171.46	257.34	266.81
Leasehold land	2,597.99	1,719.97	-	4,317.96	299.33	124.26	-	423.59	3,894.37	2,298.66
TOTAL	3,144.07	1,820.61	217.92	4,746.76	578.60	217.07	200.62	595.05	4,151.71	2,565.47

5. (iii) Capital Work In Progress Ageing Schedule

(₹ in lakhs)

PARTICULARS	AMOUNT AS ON 31.03.2024 IN CWIP FOR THE PERIOD OF					AMOUNT AS ON 31.03.2023 IN CWIP FOR THE PERIOD OF				
	Less than 1 year	1-2 Years	2-3 Years	More Than 3 Years	Total	Less than 1 year	1-2 Years	2-3 Years	More Than 3 Years	Total
Projects in Progress	12,629.65	1,750.09	2,648.71	2,801.75	19,830.20	9,700.75	2,886.20	908.30	2,714.24	16,209.50
Projects temporarily suspended *	-	-	-	3,692.36	3,692.36	-	-	-	3,692.36	3,692.36
TOTAL	12,629.65	1,750.09	2,648.71	6,494.11	23,522.56	9,700.75	2,886.20	908.30	6,406.60	19,901.86

*Projects temporarily suspended mainly consist of "DAP - 'D' Train Project, which is temporarily suspended as the contractor was unable to get the project executed in line with the contract terms. Pending outcome of the legal suit filed by the company, adjustment of Balance sheet items against the project cost is pending as on date.

6. Intangible assets

(₹ in lakhs)

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01-Apr-23	Additions	Deductions/ Adjustments	As at 31-Mar-24	As at 01-Apr-23	Charge for the year	Deductions/ Adjustments	As at 31-Mar-24	Balance As at 31-Mar-24	Balance As at 31-Mar-23
Computer software	1,405.25	136.20	-	1,541.45	1,231.37	54.03	-	1,285.40	256.05	173.88
TOTAL	1,405.25	136.20	-	1,541.45	1,231.37	54.03	-	1,285.40	256.05	173.88

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01-Apr-22	Additions	Deductions/ Adjustments	As at 31-Mar-23	As at 01-Apr-22	Charge for the year	Deductions/ Adjustments	As at 31-Mar-23	Balance As at 31-Mar-23	Balance As at 31-Mar-22
Computer software	1,401.14	88.48	84.37	1,405.25	1,284.33	31.42	84.38	1,231.37	173.88	116.82
TOTAL	1,401.14	88.48	84.37	1,405.25	1,284.33	31.42	84.38	1,231.37	173.88	116.82

Notes

1. The Company has capitalised 400 MTPD Ammonium Sulphate-IV Project ₹ 7435.52 Lakhs during FY 2023-24.
2. Asset acquisition includes R&D assets of ₹ 59.07 lakhs (previous year ₹ 78.55 lakhs).
3. The Company has leased a portion of land to Bank of Baroda for bank premises at Fertilizernagar & Sikka, and GAIL (India) Ltd for establishing CNG pumping station which is currently operated by Vadodara Gas Limited.
4. The Company has acquired land through Government and also through direct negotiations. The entire land is in possession of the Company. In respect of other portion of land acquired through direct negotiations, compensation has been paid at the negotiated price. The Company also holds possession of a portion of land for which no amount has been paid in absence of receipt of awards.
5. The Company established Sikka Jetty at its own cost, which is in operation since 1987. After due discussion with Gujarat Maritime Board (GMB), a consensus was arrived at establishing ownership of jetty with the Company. Thereafter, in terms of resolution passed by GMB, the ownership of the jetty at Sikka was transferred to the Company. However, during 1994, GMB has reversed its earlier decision not supported by resolution and contended that the ownership of the jetty rests with GMB. The Company has made representation to the appropriate authority with regards to the ownership of the jetty with the Company.The matter of deciding the status of Jetty was under examination at GMB & Government of Gujarat levels since long back. Various meetings were also held and after due diligence on the matter, it is decided by the Board of GMB supported by a resolution to assign the status of Captive Jetty to sikka jetty and the Company has to sign Captive Jetty Agreement with GMB. The matter is under discussion with GMB authorities. At present the Company is in possession of the Jetty and continues to be the owner of the Jetty pending signing of the Agreement.

7. Non-current investments

(₹ in lakhs)

Praticulars		As at 31-03-2024	As at 31-03-2023
Investments in equity shares of Associates measured at cost			
14,302	shares of Vadodara Enviro Channel Ltd. - ₹ 10 each*	-	-
12,50,000	shares of Gujarat Green Revolution Company Ltd. - ₹ 10 each	125.00	125.00
2,54,34,558	Shares of Karnalyte Resources Inc - Canadian Dollar (CAD)	6,042.94	6,042.94
	Less : Provision for Impairment	1,418.10	1,418.10
		4,749.84	**4,749.84**
Investments in equity shares of subsidiary measured at cost			
1,99,99,994	shares of GSFC Agrotech Ltd. - ₹ 10 each	2,000.00	2,000.00
12,00,000	shares of Vadodara Jal Sanchay Private Limited - ₹ 10 each	120.00	120.00
12,00,000	shares of Gujarat Port and Logistics Company Limited - ₹ 10 each	120.00	120.00
		2,240.00	**2,240.00**
Unquoted equity shares of other companies measured at fair value through OCI			
22,50,000	Shares of Indian Potash Limited - ₹ 10 each	74,770.42	80,707.50
12,26,31,575	Shares of Gujarat Chemical Port Limited - Re. 1 each (Formerly Gujarat Chemical Port Terminal Company Limited)	21,092.63	34,336.84
1	Share of Gujarat State Electricity Corporation Ltd – ₹ 10 each	-	-
2,35,00,000	Shares of Gujarat State Petroleum Corporation Limited – Re. 1 each	4,117.20	3,569.65
41,79,848	Shares of Tunisian Indian Fertilizers (TIFERT s.a.) - TND 10 each (Note - b)	-	-
60,000	Shares of Gujarat Venture Finance Limited – ₹ 10 each	168.87	147.00
50,000	Shares of Biotech Consortium India Limited – ₹ 10 each	20.76	20.50
1,15,000	Shares of Gujarat Data Electronics Limited - ₹ 10 each	-	-
		1,00,169.88	**1,18,781.49**
Quoted equity shares of other companies measured at fair value through OCI			
2,91,86,009	Shares of Gujarat Narmada Valley Fertilizers Co. Ltd. - ₹ 10 each (GNFC Bought back 15,93,158 Shares during the year) (Note - d)	1,82,441.74	1,56,773.69
2,23,62,784	Shares of Gujarat Industries Power Company Ltd. - ₹ 10 each	36,462.52	16,973.35
16,55,040	Shares of Gujarat Alkalies & Chemicals Ltd. - ₹ 10 each	11,145.87	9,684.47
4,69,14,475	Shares of Gujarat Gas Ltd. - ₹ 2 each	2,55,332.03	2,15,618.93
9,35,600	Shares of Gujarat State Financial Corporation - ₹ 10 each	-	-
11,36,000	Shares of Bandhan Bank Limited - ₹ 10 each	2,044.80	2,223.72
5,49,440	Shares of Industrial Development Bank of India - ₹ 10 each	445.05	247.25
5,79,000	Shares of Mangalore Chemicals & Fertilizers Ltd. - ₹ 10 each	586.82	566.84
		4,88,458.83	**4,02,088.25**
Total FVTOCI Investments		**5,88,628.71**	**5,20,869.74**
Other equity investments			
Tunisian Indian Fertilizers (TIFERT) (Note - e)		**-**	**-**
TOTAL INVESTMENTS		**5,95,618.55**	**5,27,859.58**
Aggregate book value of Quoted Investments		4,88,458.83	4,02,088.25
Aggregate market value of Quoted Investments		4,88,458.83	4,02,088.25
Aggregate carrying value of Unquoted Investments		1,07,159.72	1,25,771.33
Category-wise other investments-as per Ind AS 109 classification			
Particulars		**31-03-2024**	**31-03-2023**
Financial assets carried at fair value through profit or loss (FVTPL)		-	-
Financial assets carried at cost		6,989.84	6,989.84
Financial assets measured at FVTOCI		5,88,628.71	5,20,869.74
TOTAL INVESTMENTS		**5,95,618.55**	**5,27,859.58**

Notes:

** Less than a Thousand*

a) There is no change in the no of shares compare to previous year, except where specifically mentioned above under each case.

b) The equity shares held by the Company in Tunisian Indian Fertilizers S.A., Tunisia (TIFERT) have been pledged to secure the obligations of TIFERT to their lenders.

c) Investments at fair value through OCI (fully paid) reflect investment in quoted and unquoted equity securities. Refer note 41 for determination of their fair values.

d) During the year, Gujarat Narmada Valley Fertilizers Co. Ltd. (GNFC) offered for buyback of shares. Out of total 3,07,79,167 no's of equity shares, 15,93,158 no's of equity shares are bought back.

e) The company has provided a loan of USD 2.50 Mn to TIFERT for procurement of critical spares and equipment's. Provided loan carries an interest of daily average LIBOR plus a margin of 225 basis points. It was provided with a condition of compulsory conversion in equity shares of TIFERT after 3 years from the date of agreement however the term of loan has been extended for further 3 years by Sponsors on request of TIFERT. Further extension of the same is under discussion with Board members of TIFERT and Principal amount of the loan along with unpaid interest will be converted into equity shares of TIFERT at face value after completion of loan term and accordingly the same has been classified as Investment, as in substance the nature is of the investment. The Fair Value of said loan is ₹ Nil as on 31st March 2024 & 31st March 2023.

8. Other non-current financial assets

(₹ in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, considered good		
Other deposits	8,530.43	2,994.73
Unsecured, considered doubtful		
Deposits with companies & others	102.70	102.70
Less: Allowance for doubtful deposits	(102.70)	(102.70)
TOTAL	**8,530.43**	**2,994.73**

9. Other non current assets

(₹ in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Capital Advances*	40,257.50	33,500.12
Others	38.21	29.95
TOTAL	**40,295.71**	**33,530.07**

*Capital advance as on 31st March,2024 includes ₹ 27,372.98 lakhs (₹ 27,670.51 lakhs as at 31st March,2023) advance for leasehold land pending execution of lease deed towards plot in Dahej.

10. Inventories

(₹ in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Raw materials	21,792.89	29,476.01
Raw materials in Transit	25,104.61	-
Work-in-Process	3,023.22	3,831.83
Finished goods	40,175.20	58,460.72
Stock in trade	687.22	835.30
Stock in trade-in Transit	5,319.25	-
Stores and spares (including packing material)	24,471.37	24,961.68
TOTAL	**1,20,573.76**	**1,17,565.54**

11. Trade receivables

(₹ in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Secured, considered good	**834.84**	**734.21**
Unsecured, considered good	49,509.92	48,602.48
Less: Allowance for expected credit loss	(146.27)	(185.41)
Unsecured, considered good	**49,363.65**	**48,417.07**
Unsecured, credit impaired	6,487.45	6,400.66
Less: Allowance for doubtful debts	(6,487.45)	(6,400.66)
Unsecured, credit impaired	**-**	**-**
Total Trade Receivables	**50,198.49**	**49,151.28**

(i) The average credit period on sale of goods is 30 to 90 days. No interest is charged on trade receivables up to the expiry of the credit period. Thereafter, interest is charged at 12% per annum on the outstanding balance.

(ii) The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. Refer note 41 for the provision matrix at the end of the reporting period, ageing of receivable and movement in the expected credit loss allowance.

(iii) The concentration of credit risk is limited due to the fact that the customer base is large and unrelated. There is only one customer constituting more than 10% balance of the total trade receivables as of the Balance Sheet date, which is GFDA. Refer note 41 for the credit risk management by the Company.

(iv) The above balances include trade receivables from related parties ₹ 4767.65 Lakhs (₹ 3593.17 Lakhs as on 31 March 2023) Refer note 39.

(v) Trade receivable ageing schedule:

Particulars	Outstanding as on 31st March 2024 for following periods from due date of payment							Outstanding as on 31st March 2023 for following periods from due date of payment						
	Not Due	Less than 6 months	6 months-1 Years	1-2 Years	2-3 Years	More than 3 Years	Total	Not Due	Less than 6 months	6 months-1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade Receivable-Considered good	47,277.05	2,817.45	17.79	17.85	-	68.35	50,198.49	47,812.46	1,246.54	8.97	12.95	-	70.36	49,151.28
Undisputed trade receivable-Significant increase in credit risk	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Undisputed Trade Receivable-Credit Impaired	14.96	12.51	2.16	10.54	12.09	94.01	146.27	13.55	6.22	0.37	6.00	0.09	159.19	185.41
Disputed Trade Receivable-Considered good	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable-Significant increase in credit risk	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disputed Trade Receivable-Credit Impaired	-	24.21	17.63	-	6.82	6,438.78	6,487.44	-	-	-	-	-	6,400.66	6,400.66
	47,292.01	2,854.17	37.58	28.39	18.91	6,601.14	56,832.20	47,826.01	1,252.76	9.34	18.95	0.09	6,630.22	55,737.35
Less: Credit Impaired (Allowance for Doubtful Debt)	14.96	36.72	19.79	10.54	18.91	6,532.79	6,633.71	13.55	6.22	0.37	6.00	0.09	6,559.86	6,586.07
Total Receivables	**47,277.05**	**2,817.45**	**17.79**	**17.85**	**-**	**68.35**	**50,198.49**	**47,812.46**	**1,246.54**	**8.97**	**12.95**	**-**	**70.36**	**49,151.28**

12. Government subsidies receivable

(₹ in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Subsidy from Government of India under New Urea Policy/Nutrient Based Subsidy Scheme		
Subsidy Receivable from Government	1,11,089.09	1,76,487.47
Less: Allowance for doubtful debts	458.29	458.29
TOTAL	**1,10,630.80**	**1,76,029.18**

13. Cash and cash equivalents

(₹ in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Cash and cash equivalents		
Cash on hand	4.69	4.06
Balances with banks		
In current accounts	2,632.85	2,663.45
Debit balance in Cash Credit Account	5,595.69	3,087.41
Deposit with original maturity of less than three months	43,000.10	1,02,502.10
TOTAL	**51,233.33**	**1,08,257.02**

14. Other bank balances

(₹ in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
In Unclaimed dividend account-restricted	533.54	451.19
In Margin Deposit	223.70	469.28
In Deposit accounts (original maturity more than three months)	1,76,005.01	33,105.01
TOTAL	**1,76,762.25**	**34,025.48**

If the dividend has not been claimed within 30 days from the date of its declaration, the Company is required to transfer the total amount of the dividend which remains unpaid or unclaimed, to a special account to be opened by the Company in a scheduled bank to be called "Unpaid Dividend Account". The unclaimed dividend lying in such account is required to be transferred to the Investor Education and Protection Fund (IEPF), administered by the Central Government after a period of seven years from the date of declaration. Company has transferred Unclaimed Dividend upto FY 2015 – 2016 to IEPF upto March 31, 2024.

15. Loans

(₹ in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Secured, considered good		
Loans to employees*	25,335.95	24,202.69
Unsecured, considered good		
Advances to employees	26.44	31.63
Other loans to employees	524.57	559.21
TOTAL	**25,886.96**	**24,793.53**

Notes:

* The loans are secured by mortgage of the underlying assets and are repayable on demand.

Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the Company. The carrying value may be affected by changes in the credit risk of the counter parties. These financial assets are carried at amortised cost.

16. Other current financial assets

(₹ in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Financial assets at fair value through profit & loss		
Derivatives not designated in hedging relationship		
Foreign exchange derivative contracts	43.48	-
Financial assets at amortised cost		
Interest accrued	7,654.08	1,057.43
Others	350.48	200.35
TOTAL	**8,048.04**	**1,257.78**

17. Other Current Assets

(₹ in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, considered good		
Balances with govt. agencies	3,852.54	7,746.17
Advances to suppliers*	11,759.26	10,066.12
Prepaid expenses	269.53	198.77
Prepayment for Lease hold lands	297.53	297.53
TOTAL	**16,178.86**	**18,308.59**

* includes advances to related parties ₹ 8268.99 lakhs (₹ 4110.78 lakhs as at 31st March,2023). (Refer note no 39.)

18. Assets held for sale

(₹ in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Assets classified as held for sale	-	-
TOTAL	**-**	**-**

19. Share Capital

(₹ in lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
	Number of shares Refer Note (a) below	Amount	Number of shares Refer Note (a) below	Amount
Authorised				
Equity Shares of ₹ 2/- each	1,00,00,00,000	20,000.00	1,00,00,00,000	20,000.00
Redeemable Cumulative Preference Shares of ₹ 100 each	1,60,00,000	16,000.00	1,60,00,000	16,000.00
		36,000.00		36,000.00
Issued, Subscribed and Paid up: #				
Issued				
Equity Shares: Face value of ₹ 2/- each				
Shares outstanding at beginning of the year	39,91,21,850	7,982.44	39,91,21,850	7,982.44
Shares outstanding at year end	**39,91,21,850**	**7,982.44**	**39,91,21,850**	**7,982.44**
Subscribed				
Equity Shares: Face value of ₹ 2/- each				
Shares outstanding at beginning of the year	39,90,69,685	7,981.39	39,90,69,685	7,981.39
Shares outstanding at year end	**39,90,69,685**	**7,981.39**	**39,90,69,685**	**7,981.39**
Paid-up				
Equity Shares: Face value of ₹ 2/- each				
Shares outstanding at beginning of the year	39,84,77,530	7,969.55	39,84,77,530	7,969.55
Shares outstanding at year end	**39,84,77,530**	**7,969.55**	**39,84,77,530**	**7,969.55**
TOTAL	**39,84,77,530**	**7,969.55**	**39,84,77,530**	**7,969.55**

"# Difference in Issued, Subscribed & Paid-up Equity Share Capital is due to 52,165 Equity Shares unsubscribed amounting to ₹ 1.04 Lakhs and 5,92,155 Equity Shares forfeited amounting to ₹ 11.84 Lakhs. Therefore, over all difference in Issued & Paid Share Capital is amounting to ₹ 12.89 Lakhs"

a) Reconciliation of Shares outstanding at the beginning and the end of the reporting period

(₹ in lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
	Number of shares	Amount	Number of shares	Amount
Equity Shares				
At the beginning of the year	39,84,77,530	7,969.55	39,84,77,530	7,969.55
Issued / Reduction, if any during the year	-	-	-	-
Outstanding at the end of the year	39,84,77,530	7,969.55	39,84,77,530	7,969.55

b) Rights, preferences and restrictions attached to shares

Equity shares

The Company has one class of equity shares having a par value of ₹ 2 each. Each shareholder is eligible for one vote per share held. The dividend proposed by Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Shareholders holding more than 5% of equity share capital

Particulars	As at 31st March 2024		As at 31st March 2023	
	Number of shares	Percentage of holding	Number of shares	Percentage of holding
Gujarat State Investments Limited	15,07,99,905	37.84	15,07,99,905	37.84

d) **Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:** NIL

e) **Details of Promotors holding Shares in the company**

Particulars	As at 31st March 2024		As at 31st March 2023		% Change during the year
	Number of shares	Percentage of holding	Number of shares	Percentage of holding	
Gujarat State Investments Limited	15,07,99,905	37.84	15,07,99,905	37.84	-

Particulars	As at 31st March 2023		As at 31st March 2022		% Change during the year
	Number of shares	Percentage of holding	Number of shares	Percentage of holding	
Gujarat State Investments Limited	15,07,99,905	37.84	15,07,99,905	37.84	-

20. Other equity

(₹ in lakhs)

Particulars	Reserves & Surplus					Items of OCI	
	Capital reserve	Security premium	Capital redemption reserve	General reserve	Retained earnings	Equity Instruments through OCI	Total Equity
Balance as at April 01, 2022	**1,256.33**	**30,524.02**	**3,335.00**	**5,56,153.31**	**68,385.23**	**4,99,246.81**	**11,58,900.70**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated Balance as at 1st April, 2022	1,256.33	30,524.02	3,335.00	5,56,153.31	68,385.23	4,99,246.81	11,58,900.70
Profit for the year	-	-	-	-	1,29,307.62	-	1,29,307.62
Other comprehensive income for the year net of income tax	-	-	-	-	-	(91,559.41)	(91,559.41)
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	-	1,696.20	-	1,696.20
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**1,31,003.82**	**(91,559.41)**	**39,444.41**
Dividends paid [Note 20]	-	-	-	-	(9,962.18)	-	(9,962.18)
Transfer to General reserve	-	-	-	49,000.00	(49,000.00)	-	-
Balance as at March 31, 2023	**1,256.33**	**30,524.02**	**3,335.00**	**6,05,153.31**	**1,40,426.87**	**4,07,687.40**	**11,88,382.93**
Balance as at April 01, 2023	**1,256.33**	**30,524.02**	**3,335.00**	**6,05,153.31**	**1,40,426.87**	**4,07,687.40**	**11,88,382.93**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated Balance as at 1st April, 2023	1,256.33	30,524.02	3,335.00	6,05,153.31	1,40,426.87	4,07,687.40	11,88,382.93
Profit for the year	-	-	-	-	52,432.29	-	52,432.29
Other comprehensive income for the year net of income tax	-	-	-	-	-	74,690.16	74,690.16
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	-	(22,535.80)	-	(22,535.80)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**29,896.49**	**74,690.16**	**1,04,586.65**
Dividends paid [Note 20]	-	-	-	-	(39,847.75)	-	(39,847.75)
Transfer to General reserve	-	-	-	20,000.00	(20,000.00)	-	-
Balance as at March 31, 2024	**1,256.33**	**30,524.02**	**3,335.00**	**6,25,153.31**	**1,10,475.61**	**4,82,377.56**	**12,53,121.83**

Distributions made and proposed

(₹ in lakhs)

Particulars	Amount
Cash dividends on equity shares declared and paid:	
Final dividend for the year ended on 31 March 2023: ₹ 10.00 per share (31 March 2022: ₹ 2.50 per share)	39,847.75
Total cash dividends declared and paid	**39,847.75**
Proposed dividends on Equity shares:	
Final dividend for the year ended on 31 March 2024: ₹ 4.00 per share (31 March 2023: ₹ 10.00 per share)	15,939.10
Total Proposed dividends	**15,939.10**
Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability	

1. **Capital Reserve:** This reserve has been created from amounts forfeited on shares not fully paid up, scheme of capital subsidy for industries in backwards areas, etc. It is not available for distribution of dividend.
2. **Securities Premium:** The amount received in excess of face value of the Rights Equity shares issued have been recognised in Share Premium Reserve, etc. It is not available for distribution of dividend.
3. **Capital Redemption Reserve:** Capital Redemption Reserve has been created against the redemption of preference shares in earlier years. It is not available for distribution of dividend.
4. **General Reserve:** General Reserve represents a reserve other than capital reserve which is not earmarked for a specific purpose.
5. **Retained Earnings:** Retained Earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.
6. **Other comprehensive income (OCI):** OCI comprises items of income and expenses (including reclassification adjustments) that are not recognised in profit or loss as required or permitted by Indian Accounting Standards. The components of OCI include: re-measurements of defined benefit plans, gains and losses arising from investment in equity instruments.

21. Long term provisions

(₹ in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for employee benefits		
Provision for Gratuity (Refer Note 37)	7,383.82	160.18
Provision for Pension (Refer Note 37)	12,642.45	-
Provision for Compensated absences	26,569.54	20,984.06
Provision for Post Retirement Medical Benefit Scheme (PRMBS) (Refer Note 37)	4,923.14	4,833.80
Provision for Asset Retirement Obligation	2,791.57	2,578.23
Other Provisions	2,504.26	2,504.26
TOTAL	**56,814.78**	**31,060.53**

Movement in provision for Asset Retirement Obligation:

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balance at Beginning of Year	2,578.23	2,381.49
Additional provision recognised	213.34	196.74
Provision Utilized	-	-
Balance at Closing of Year	2,791.57	2,578.23

22. Financial Liabilities- borrowings

(₹ in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured		
Loans repayable on demand		
Short term working capital demand loan/over drafts from banks	250.45	-
TOTAL	**250.45**	**-**

* The Cash credit facility from consortium of banks is secured by hypothecation of stock of raw materials, finished products, packing materials, general stores, spares, book debts etc. of the Company.

Interest rate details for short term borrowings:

(i) Cash credit accounts carries interest rates ranging from 6.75% to 8.00% p.a.

(ii) Working capital demand loan carries interest rate ranging from 7.25% to 9.05% p.a.

(iii) The Company has taken borrowings from banks and utilised them for the specific purpose for which they were taken as at the Balance sheet date. Quarterly statements of current assets filed by the Company with Bank are in agreement with the books of accounts of the Company for the respective periods.

23.

A Income tax asset (net) (₹ in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance payment of Income Tax (net)	6,130.41	6,198.22

B Current tax liabilities (net) (₹ in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for Income Tax (net)	955.60	2,318.68

C Deferred tax liabilities (net)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(a) Statement of Profit & loss		
Profit & loss section		
Current income tax charge (net of MAT credit entitlement)	15,165.53	41,033.58
Deferred tax relating to origination & reversal of temporary differences	(227.92)	(11,567.89)
Tax related to earlier years	(932.33)	(2,019.74)
Income tax expense reported in the statement of profit or loss	**14,005.28**	**27,445.95**
(b) Other comprehensive income section		
Unrealised (gain)/loss on FVTOCI equity securities	5,150.34	(9,169.31)
Net loss/(gain) on remeasurements of defined benefit plans	(7,579.40)	1,918.38
Income tax charged to OCI	**(2,429.06)**	**(7,250.93)**
(c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended		
Accounting profit before income tax	**66,437.57**	**1,56,753.57**
Statutory income tax rate	25.168%	25.168%
Tax at statutory income tax rate	16,721.01	39,451.74
Tax effects of :		
Income not subject to tax	(61.19)	(99.02)
Inadmissiable expenses or expenses treated seperately	11,025.15	11,791.57
Admissiable deductions	(8,815.69)	(8,792.03)
Deduction Under chapter - VI	(3,703.75)	(1,318.69)
Deferred tax on other items	(227.93)	(11,567.89)
Total Tax effects	**(1,783.40)**	**(9,986.06)**
Income tax expense	**14,937.61**	**29,465.68**
Earlier year tax	(932.33)	(2,019.74)
Income tax expense reported in statement of Profit & loss	**14,005.28**	**27,445.95**

(d) Deferred tax relates to the following: (₹ in lakhs)

	Balance sheet		Profit & loss	
	31-Mar-24	**31-Mar-23**	**2023-24**	**2022-23**
Property, plant and equipment	(37,797.07)	(38,926.29)	(1,129.22)	(17,858.59)
Expenses allowable for tax purpose when paid	11,720.90	8,583.32	(3,137.58)	(11,462.36)
Investments in Equity instruments	(28,477.55)	(23,327.20)	5,150.35	(9,169.31)
Fair valuation of deposits	0.21	0.21	-	0.08
Actuarial loss on Defined benefit plan	6,829.51	1,687.04	(5,142.47)	17,936.18
Fair valuation of Derivatives	-	-	-	(6.65)
Machinery Spares	-	-	-	1,464.17
Provision for PF Contribution	327.81	978.81	651.00	(493.87)
Allowance for doubtful debts	2,352.85	3,322.47	969.62	621.20
ARO provision-Windmill	472.98	423.45	(49.53)	105.25
ARO provision-Solar	16.29	12.13	(4.16)	(4.80)
Leasehold Building IND AS	(142.10)	(114.67)	27.43	(10.80)
ICDS Impact	44.68	52.26	7.58	60.68
Reclassification of MAT Credit entitlement	-	-	-	5,847.84
Deferred tax expense/(income)	**-**	**-**	**(2,656.98)**	**(12,970.98)**
Net deferred tax assets/(liabilities)	**(44,651.49)**	**(47,308.47)**		
Reconciliation of deferred tax liabilities (net):				
Opening Balance as at	**31-Mar-23**	**31-Mar-22**		
	(47,308.47)	**(60,279.45)**		
Tax income/(expense) during the period recognised in P&L	227.92	11,567.89		
Tax income / (Expense) MAT credit recognised in P&L/Utilised	-	(5,847.84)		
Tax income/(expense) during the period recognised in OCI	2,429.06	7,250.93		
Closing balance as at	**(44,651.49)**	**(47,308.47)**		
	31-Mar-24	**31-Mar-23**		

Notes:

1. The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

2. During the previous year, the Company had decided to exercise the option permitted under section 115BAA of the Income Tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019 under which domestic companies have the option to pay income tax at lower rate ("New tax rate") subject to the giving up of certain incentives and deductions. Accordingly, during the current year the provision for current tax and deferred tax is recognized at the New tax rate u/s 115BAA."

24. Lease Liabilities

(₹ in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current	108.30	90.62
Non Current	152.12	148.23
Total Lease Liabilities	**260.42**	**238.85**

**** Details of Lease Liabilities :**

Movement of Lease Liabilities was as under:	As at 31st March, 2024	As at 31st March, 2023
Opening Balance	238.85	267.57
Add: Additions	142.35	100.64
Add: Interest recognised during the year	32.73	36.49
Less: Lease Termination	11.78	32.81
Less: Payment Made	141.73	133.04
Closing Balance	260.42	238.85

The maturity Analysis of lease liabilities are disclosed in Note 41

Company as Lessee:

The Company has taken various warehouses, godowns, guesthouses leasehold land and office premises under rental agreements. The following are the amounts recognised in Statement of Profit & Loss:

Particulars	As at 31st March, 2024	As at 31st March, 2023
Depreciation expenses of right-of-use assets	267.31	217.07
Interest expenses on lease liabilities	32.73	36.49
Total amount recognised in profit & loss	**300.04**	**253.56**

Company as Lessor:

Rent income includes lease rentals received towards office premises and land leased out for gas station. Such operating lease is generally for a period of three to four years. There are no restrictions imposed by lease arrangements.

25. Current financial liabilities-trade payables

(₹ in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Due to Micro, Small and Medium Enterprises (MSMED)*	1,762.34	1,486.79
Others**	73,402.76	57,156.26
TOTAL	**75,165.10**	**58,643.05**

(1) Due to Micro, Small and Medium Enterprises (MSMED)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	1,762.34	1,486.79
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	NIL	NIL
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	NIL	NIL
(iv) The amount of interest due and payable for the year	7.50	1.25
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	NIL	NIL
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	NIL	NIL

(2) Trade Payables ageing schedule:

Particulars	Outstanding as on 31st March 2024 for following periods from due date of payment							Outstanding as on 31st March 2023 for following periods from due date of payment						
	Unbilled	Not due	Less Than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total	Unbilled	Not due	Less Than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Micro and Small Enterprises	753.27	25.37	983.70	-	-	-	1,762.34	-	1,285.39	201.40	-	-	-	1,486.79
Others	33,212.15	30,086.05	7,806.11	2,273.42	-	-	73,377.73	11,628.60	33,131.67	8,267.22	571.51	371.23	3,161.00	57,131.23
Disputed dues – Micro and Small Enterprises	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	25.03	25.03	-	-	-	-	-	25.03	25.03
Total Trade Payables	**33,965.42**	**30,111.42**	**8,789.81**	**2,273.42**	**-**	**25.03**	**75,165.10**	**11,628.60**	**34,417.06**	**8,468.62**	**571.51**	**371.23**	**3,186.03**	**58,643.05**

*Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

**The above balances include trade payables to related parties ₹ 2207.58 Lakhs (₹ 904.85 Lakhs as on 31 March 2023) Refer Note 39.

26. Other current financial liabilities

(₹ in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Financial liabilities at fair value through profit & loss		
Derivatives not designated in hedging relationship		
Foreign exchange derivative contracts	-	15.75
Other financial liabilities at amortised cost		
Unclaimed dividend*	533.54	451.19
Deposits received	5,720.23	5,517.23
Liability towards employee benefits	8,954.38	6,549.54
Creditors for capital goods	13,070.08	11,424.16
Other payables	915.72	891.67
TOTAL	**29,193.95**	**24,849.54**

* These figures do not include any amounts due and outstanding to be credited to Investor Education and Protection Fund.

27. Other current liabilities

(₹ in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advances from customers	1,451.51	1,853.43
Statutory dues	2,261.84	1,683.56
Income received in advance	6.38	3.70
Others #	1,536.45	3,352.53
TOTAL	**5,256.18**	**6,893.22**

Includes ₹ 578.41 Lakhs ('Nil' as at 31st March, 2023) towards unspent CSR Amount. (Refer note no. 43 Corporate Social Responsibility)

28. Provisions

(₹ in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for employee benefits		
Provision for Gratuity (Refer note 37)	2,884.67	1,371.66
Provision for Pension (Refer note 37)	4,073.99	(795.36)
Provision for Compensated absences*	5,767.09	4,868.94
Provision for PRMBS (Refer note 37)	296.77	287.76
Other Provision**	1,302.48	3,889.10
TOTAL	**14,325.00**	**9,622.10**

* The provision for Compensated absences pertains to accrued ordinary and sick leave entitlements. The change in carrying amount of the provision results from additional provision recognized net of benefits paid.

**"Employees' Provident Fund Trust of the Company (GSFC-EPFTs) are holding investments aggregating to ₹ 726.70 Lakhs in various debt securities issued by IL&FS Group, Yes Bank Ltd., Reliance Home Finance, Reliance Capital Ltd and SREI Group. As a matter of prudence, the company has made a provision in view of uncertainties regarding recoverability of such investments and interest thereon. In future company will make provision looking to the development in the matter."

29. Revenue from operations

(₹ in lakhs)

Particulars	Year ended 31st March, 24	Year ended 31st March, 23
Revenue from sale of products (including subsidy on fertilizers)		
- Manufactured / Generated products	8,06,743.19	10,20,648.77
- Traded products	85,758.19	1,07,811.18
- Other Operating Revenue	710.17	1,342.72
Total	**8,93,211.55**	**11,29,802.67**
Revenue from operation above includes:-		
Subsidy from Government of India under New Urea Policy/Nutrient Based Subsidy Scheme		
Pertaining to current year	3,69,492.27	5,53,409.51
Pertaining to earlier years determined during current year	(16,153.73)	27,622.18
TOTAL	**3,53,338.54**	**5,81,031.69**

30. Other income

(₹ in lakhs)

Particulars	Year ended 31st March, 24	Year ended 31st March, 23
Interest		
Deposits:	14,102.50	5,626.74
Advances:	1,122.83	1,075.63
Others:	338.30	130.02
Dividend from long term investments	14,716.10	5,239.54
Rent	353.85	302.05
Insurance claims	279.68	41.52
Excess provision no longer required	5,263.57	481.07
Scrap sales	765.97	956.07
Profit on sale of fixed assets	17.52	155.42
Miscellaneous income	657.02	640.46
TOTAL	**37,617.34**	**14,648.52**

31. Cost of material consumed

(₹ in lakhs)

Particulars	Year ended 31st March, 24	Year ended 31st March, 23
Raw Materials		
Opening stock	29,476.01	43,894.10
Add: Purchases	4,93,534.21	5,70,715.91
Less: Closing stock	46,897.50	29,476.01
TOTAL	**4,76,112.72**	**5,85,134.00**

32. Changes in inventory of finished goods, work in process and stock in trade

(₹ in lakhs)

Particulars	Year ended 31st March, 24	Year ended 31st March, 23
Opening stock		
Finished products	58,460.72	59,279.68
Stock in trade	835.30	1,841.95
Work-in-process	3,831.83	2,546.96
	63,127.85	**63,668.59**
Less: Closing stock		
Finished products	40,175.20	58,460.72
Stock in trade	6,006.47	835.30
Work-in-process	3,023.22	3,831.83
	49,204.90	**63,127.85**
(Increase) / Decrease	**13,922.95**	**540.74**

33. Employee benefit expenses

(₹ in lakhs)

Particulars	Year ended 31st March, 24	Year ended 31st March, 23
Salaries, wages, bonus	68,049.16	49,518.51
Contribution to provident, gratuity and superannuation (pension) funds (including provisions)	7,224.82	8,462.68
Staff Welfare expenses	8,363.26	7,665.10
TOTAL	**83,637.24**	**65,646.29**

- Employee benefit expenses includes R&D salary expenses of ₹ 1243.29 lakhs (previous year ₹ 958.21 lakhs) (Refer note no. 42) and also includes remuneration to KMP amounting to ₹ 172.60 lakhs (previous year ₹ 197.49 lakhs) (Refer note no. 39).

34. Finance costs

(₹ in lakhs)

Particulars	Year ended 31st March, 24	Year ended 31st March, 23
Interest		
- borrowings	114.53	355.21
- others	753.56	846.73
Other borrowing cost	251.25	287.48
TOTAL	**1,119.34**	**1,489.42**

35. Other expenses

(₹ in lakhs)

Particulars	Year ended 31st March, 24	Year ended 31st March, 23
Consumption of stores and spare parts	17,161.16	14,525.02
Water	3,516.74	3,466.44
Packing expenses	9,370.69	10,324.05
Repairs to buildings	553.39	527.03
Repairs to machinery	9,457.65	7,722.96
Other repairs	742.85	649.67
Insurance	1,761.49	1,836.80
Rent, rates and taxes	194.54	280.50
Product transportation, distribution & loading & unloading charges	28,309.44	28,613.24
Depots and farm information centers expense	2,736.86	1,150.27
Marketing expense reimbursement, demonstration, extension services and publicity etc.	1,330.05	1,151.33
Foreign exchange gain/loss (net)	194.40	978.31
Directors fees	13.83	19.25
Legal & Professional charges	747.17	746.96
Auditors' remuneration *	13.54	23.97
Cost auditors' fees	4.65	4.60
Loss on fixed assets sold/discarded	48.05	26.93
Allowance for doubtful debts	125.44	157.63
Amortisation of leasehold land	297.53	297.53
Donations and contributions	3,717.53	973.83
Miscellaneous	4,866.26	16,282.74
TOTAL	**85,163.26**	**89,759.06**

Other expenses includes R&D expenses of ₹ 30.99 lakhs (previous year ₹ 16.97 lakhs) in respective heads (Refer note no. 42)

*Auditors' remuneration

Particulars	Year ended 31st March, 24	Year ended 31st March, 23
Payment to Statutory Auditors:		
For Statutory audit	2.25	2.25
For Taxation matters	1.50	3.48
For other services (including Limited Review fees & certification)	8.94	17.05
For Reimbursement of expenses	0.85	1.19
	13.54	**23.97**

36. Earnings per share (EPS):

(₹ in lakhs)

Particulars	Year ended 31st March, 24	Year ended 31st March, 23
i. Profit attributable to Equity holders of the Company		
Profit attributable to equity holders of the Company		
Continuing operations	52,432.29	1,29,307.62
Discontinued operations	-	-
Profit attributable to equity holders of the Company for basic earnings	52,432.29	1,29,307.62
Effect of dilution	-	-
Profit attributable to equity holders of the Company adjusted for the effect of dilution	**52,432.29**	**1,29,307.62**
ii. Weighted average number of ordinary shares		
Issued ordinary shares	39,84,77,530	39,84,77,530
Effect of dilution	-	-
	39,84,77,530	39,84,77,530
Basic EPS (₹)	13.16	32.45
Diluted EPS (₹)	13.16	32.45
Nominal value per share (₹)	2.00	2.00

37. Employment benefit plans

a) The Company operates post employment and other long term employee benefits defined plans as follows:

I. Funded

i. Gratuity

ii. Pension

II. Unfunded

i. Post retirement medical benefit scheme

Aforesaid post-employment benefit plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment Risk: The present value of the defined benefit liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest Risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.

Longevity Risk: The present value of the defined benefit liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk: The present value of the defined benefit liability is calculated by reference to the future salaries of plan participants. As such, an increase in salary of the plan participants will increase the plan's liability.

b) Defined contribution plans:

Amount towards Defined Contribution Plans have been recognised under ''Contributions to Provident, Gratuity and Superannuation Fund (pension) Funds (including provisions)" in Note : 33 ₹ 4722.44 lakhs for FY 2023-24 (₹ 4351.15 lakhs for FY 2022-23).

37. Employment benefit plans (Contd...)

c) Details of funded & unfunded plans are as follows:

(₹ in lakhs)

Description	Pension		Gratuity		PRMBS	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
1. Changes In Present Value of obligation						
a. Obligation as at the beginning of the year	69,588.75	75,314.86	36,387.44	38,225.82	5,121.56	5,241.33
b. Current Service Cost	784.62	909.80	1,583.40	1,682.12	188.84	206.50
c. Interest Cost	5,219.16	5,151.54	2,729.06	2,762.48	385.66	387.86
d. Actuarial (Gain)/Loss	19,564.71	(2,071.65)	9,837.31	(1,138.62)	212.47	(49.17)
e. Benefits Paid	(13,817.33)	(9,715.80)	(7,208.05)	(5,144.36)	(688.62)	(664.97)
f. Obligation as at the end of the year	81,339.91	69,588.75	43,329.16	36,387.44	5,219.91	5,121.56
The defined benefit obligation is	Funded	Funded	Funded	Funded	Unfunded	Unfunded
2. Changes in Fair Value of Plan Assets						
a. Fair Value of Plan Assets as at the beginning of the year	70,384.11	65,815.54	34,855.60	31,665.39	—	—
b. Interest Income	5,278.81	4,501.79	2,614.18	2,288.16	—	—
c. Return on Plan Assets, Excluding Interest Income	(308.10)	389.74	(192.61)	(34.59)	—	—
d. Contributions	3,085.98	9,392.84	2,991.52	6,081.00	—	—
e. Benefits Paid	(13,817.33)	(9,715.80)	(7,208.02)	(5,144.36)	—	—
f. Fair Value of Plan Assets as at the end of the year	64,623.47	70,384.11	33,060.67	34,855.60	—	—
3. Amount Recognised In The Balance Sheet						
a. Fair Value of Plan Assets as at the end of the year	64,623.47	70,384.11	33,060.67	34,855.60	—	—
b. Present Value of Obligation as at the end of the year	(81,339.91)	(69,588.75)	(43,329.16)	(36,387.44)	(5,219.91)	(5,121.56)
c. Amount recognised in the Balance Sheet	(16,716.44)	795.36	(10,268.49)	(1,531.84)	(5,219.91)	(5,121.56)
4. Expense recognised in P & L during the year						
a. Current Service Cost	784.62	909.80	1,583.40	1,682.12	188.84	206.50
b. Net Interest Cost	(59.65)	649.75	114.88	474.32	385.66	387.86
c. Expense recognised during the year	724.97	1,559.55	1,698.28	2,156.44	574.50	594.36
5. Expense recognised in OCI during the year						
a. Return on Plan Assets, Excluding Interest Income	308.10	(389.74)	192.61	34.59	—	—
b. Actuarial (Gain)/Loss recognised on Obligation	19,564.71	(2,071.65)	9,837.31	(1,138.62)	212.47	(49.17)
c. Net (Income)/Expense recognised during the year	19,872.81	(2,461.39)	10,029.92	(1,104.03)	212.47	(49.17)
6. Investment Details of Plan Assets						
Administered by LIC of India	100%	100%	100%	100%	NA	NA

d) Assumptions

(₹ in lakhs)

	Pension		Gratuity		PRMBS	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
a. Discount Rate (per annum)	7.24%	7.50%	7.23%	7.50%	7.24%	7.53%
b. Estimated Rate of return on Plan Assets (per annum)	7.24%	7.50%	7.23%	7.50%	NA	NA
c. Medical Cost Inflation (per annum)	NA	NA	NA	NA	4.00%	4.00%

37. Employment benefit plans (Contd...)

d. The estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors.

e. The estimate of mortality rate during employment has been considered as per Indian Assured Lives Mortality (2006-08).

f. Provident Fund contributions are made to Trusts administered by the Company.The interest rate payable to the members of the Trusts shall not be lower than the statutory rate of interest declared by the Central Government under the Employees provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company.

(₹ in lakhs)

Maturity Profile	Pension		Gratuity		PRMBS	
Projeted benefit payable in future year from the date of reporting	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
1st Following year	13,071.11	12,037.23	7,064.01	6,458.65	296.77	287.75
2nd Following year	7,201.10	7,574.56	3,659.21	3,748.67	310.19	304.52
3rd Following year	11,716.50	9,204.48	5,628.92	4,434.76	323.69	318.85
4th Following year	9,494.33	8,937.89	4,634.65	4,318.24	333.92	333.00
5th Following year	11,833.26	7,328.28	5,625.67	3,605.18	347.18	344.22
Sum of year 6 to 10	40,436.92	37,325.84	19,593.15	17,853.74	1,890.67	1,912.00
Sum of year 11 and above	26,776.31	21,192.11	27,560.75	21,091.55	-	-

The expense is disclosed in Note No. 33 - “Employee Benefit Expenses”, Pension & Gratuity are disclosed in line item - Contribution to Provident Fund, and provision to Gratuity, Superannuation (Pension) Funds. Leave Encashment is disclosed in line item - Salaries, Wages and Bonus and PRMBS is disclosed in line item - Welfare funds.

(₹ in lakhs)

Description	2023-24		
	Pension	Gratuity	PRMBS
Effect of one percentage point change in the assumed			
a. One percentage point increase in Discount Rate	(3,427.20)	(2,210.78)	(523.70)
b. One percentage point decrease in Discount Rate	3,768.90	2,511.46	642.03
Effect of one percentage point change in the assumed Salary Escalation Rate			
a. One percentage point increase in Salary Escalation Rate	3,777.78	2,322.19	NA
b. One percentage point decrease in Salary Escalation Rate	(3,496.92)	(2,169.34)	NA
Effect of one percentage point change in the assumed medical inflation rate-Benefit Obligation			
a. One percentage point increase in medical inflation rate	NA	NA	657.28
b. One percentage point decrease in medical inflation rate	NA	NA	(543.15)

37. Employment benefit plans (Contd...)

f) Details of funded & unfunded plans are as follows:

(₹ in lakhs)

Pension		2023-24	2022-23	2021-22	2020-21	2019-20
Net Asset/(Liability) recognised in Balance Sheet (including experience adjustment impact)						
1	Present Value of Defined Benefit Obligation	81,339.91	69,588.75	75,314.86	78,081.62	79,876.92
2	Fair Value of Plan Assets	64,623.47	70,384.11	65,815.54	48,748.23	39,975.18
3	Status [Surplus/(Deficit)]	(16,716.44)	795.36	(9,499.32)	(29,333.39)	(39,901.74)
4	Experience Adjustment of Plan Assets [Gain/(Loss)]	(308.10)	389.74	472.14	139.31	(170.10)
5	Experience/Assumptions Adjustment of obligation [(Gain)/Loss]	19,564.71	(2,071.65)	(71.50)	1,423.18	18,870.75
Gratuity		**2023-24**	**2022-23**	**2021-22**	**2020-21**	**2019-20**
Net Asset/(Liability) recognised in Balance Sheet (including experience adjustment impact)						
1	Present Value of Defined Benefit Obligation	43,329.16	36,387.44	38,225.82	39,557.57	40,436.32
2	Fair Value of Plan Assets	33,060.67	34,855.60	31,665.39	26,069.19	21,799.23
3	Status [Surplus/(Deficit)]	(10,268.49)	(1,531.84)	(6,560.43)	(13,488.38)	(18,637.09)
4	Experience Adjustment of Plan Assets [Gain/(Loss)]	(192.61)	(34.59)	102.27	324.74	(8.02)
5	Experience/Assumptions Adjustment of obligation [(Gain)/Loss]	9,837.31	(1,138.62)	(1,282.48)	(545.82)	10,969.21
PRMBS		**2023-24**	**2022-23**	**2021-22**	**2020-21**	**2019-20**
Net Asset/(Liability) recognised in Balance Sheet (including experience adjustment impact)						
1	Present Value of Defined Benefit Obligation	5,219.91	5,121.56	5,241.33	5,476.65	4,889.38
2	Fair Value of Plan Assets	-	-	-	-	-
3	Status [Surplus/(Deficit)]	(5,219.91)	(5,121.56)	(5,241.33)	(5,476.65)	(4,889.38)
4	Experience Adjustment of Plan Assets [Gain/(Loss)]	-	-	-	-	-
5	Experience/Assumptions Adjustment of obligation [(Gain)/Loss]	212.47	(49.17)	(117.76)	517.72	908.56

38. Commitment and contingencies

a. Commitments

(₹ in lakhs)

Particulars	As at 31 Mar-24	As at 31 Mar-23
(i) Estimated amount of contracts remaining to be executed on capital accounts and not provided for	66,876.38	73,585.52

b. Contingent liabilities

(₹ in lakhs)

Particulars	As at 31 Mar-24	As at 31 Mar-23
Claims against the Company not acknowledgement as debt		
(i) Excise and Customs duty	2,181.12	2,049.34
(ii) Central sales tax and value added tax	2,266.03	2,266.03
(iii) Income tax	19,334.61	19,398.16
(iv) Other	61,470.62	66,555.71
(v) Employees / ex-employees, contractual labour – pending before courts	Not ascertainable	Not ascertainable

In respect of the above, the expected outflow will be determined at the time of final resolution of the dispute.

c. Contingent Assets

The Company does not have any contingent assets.

39. Related party transactions

(₹ in lakhs)

Name of the party (listed entity/subsidiary)	Name of the Counterparty	Nature of Relationship	Nature of Transaction	2023-24	2022-23
GSFC LTD	GSFC Agrotech Limited	Subsidiary	Purchase of goods (Net of Credit note/return)	963.52	735.75
			Sale of materials/Goods	28,233.21	33162.73
			Income from Other Services	6.78	7.09
			Reimbursement of expenses	555.81	344.04
			Expenses Recovered	694.23	615.43
			Outstanding balance-Payable	197.04	(164.08)
			Outstanding balance-Receivable	3,592.55	3197.30
			Dividend received/receivable	50.00	50.00
GSFC LTD	Vadodara Enviro Channel Ltd.	Associate	Usage of effluent channel	622.44	288.50
			Outstanding balance-Payable	23.65	23.24
GSFC LTD	Gujarat Green Revolution Company	Associate	Expenses Recovered	323.07	205.22
			Dividend received/receivable	12.50	12.50
			Outstanding balance-Receivable	122.33	37.12
GSFC LTD	Karnalyte Resources Inc.	Associate	Expenses Recovered	46.69	30.82
			Equity Contribution	-	1978.57
			Outstanding balance-Receivable	7.75	-
GSFC LTD	Managing Director	Key Management Personnel	Remuneration	172.60	197.49
GSFC LTD	V D Nanavaty – ED(Finance) & CFO		Interest Income	-	1.11
GSFC LTD	Nidhi Pillai / V V Vachhrajani - CS				
GSFC LTD	Directors	Directors	Sitting Fees	13.82	17.50
GSFC LTD	Gujarat Alkalies and Chemicals Limited	Other related party	Purchase of Material	2,320.97	4517.05
			Expenses Recovered	22.55	23.97
			Dividend received/receivable	389.76	165.50
			Outstanding balance-payable	143.96	257.29
			Outstanding balance-Receivable	6.69	3.19

39. Related party transactions (Contd...)

GSFC LTD	Tunisian Indian Fertilizer Company (TIFERT)	Other related party	Purchase of Material	18,096.42	52969.10
			Advance to vendor	8,268.99	4110.78
			Provision for Investment	154.41	103.71
			Expenses Recovered	11.38	19.36
			Outstanding balance-Receivable	1,023.91	327.68
GSFC LTD	Gujarat State Petronet Ltd	Other related party	Fees for Services	816.01	2467.37
			Outstanding balance-payable	4.49	103.38
GSFC LTD	GSFC Education Society	Other related party	Donation Granted	880.50	891.84
GSFC LTD	Gujarat Gas Ltd	Other related party	Income from Other Services	70.77	69.71
			Dividend received/receivable	3,119.81	938.29
			Outstanding balance-payable	(2.63)	9.00
GSFC LTD	The Fertilizer Association of India	Other Related Party	Fees for Services	19.67	19.28
GSFC LTD	Gujarat Narmada Valley Fertilizers Company Limited	Other related party	Sale of Material	982.24	1388.02
			Fees for Services	-	0.31
			Dividend received/receivable	9,233.75	3077.91
			Outstanding balance-payable	(0.06)	(0.06)
			Outstanding balance-Receivable	14.42	27.94
GSFC LTD	Gujarat Industries Power Company Limited.	Other related party	Sale of Materials/Goods	3.24	13.81
			Dividend received/receivable	838.60	559.06
			Outstanding balance-Receivable	-	(0.06)
GSFC LTD	Gujarat State Petroleum Corporation Ltd.	Other Related Party	Purchase of Gas	36,610.74	80170.61
			Fees for Services	0.80	0.90
			Outstanding balance-payable	1,832.43	667.94
GSFC LTD	Indian Potash Ltd.	Other Related Party	Purchase of Material	7,784.53	0.00
			Dividend received/receivable	157.50	135.00
			Outstanding balance-payable	8.70	8.70
GSFC LTD	GSFC Science Foundation	Other related party	Expenses Recovered	-	0.56
			Donation Granted	-	2.00
			Outstanding balance-payable	-	(0.56)
GSFC LTD	Gujarat Chemical Port Limited	Other related party	Dividend received/receivable	882.94	294.31
GSFC LTD	Gsfc Employees PF Trust	Retiral Funds	Employer's contribution	3584.29	2526.18
	Fiber Unit Employees PF Trust			190.95	215.82
	Sikka Unit Employees PF Trust			207.15	216.62
	Polymer Unit Employees PF Trust			65.51	87.77
	Gsfc Employees Gratuity Fund Trust			2738.24	4685.53
	Fiber Unit Gratuity Fund Trust			167.00	677.84
	Sikka Unit Gratuity Fund Trust			163.90	577.34
	Polymer Unit Gratuity Fund Trust			65.34	275.27
	Gsfc Employees Pension Fund Trust			2258.36	6676.76
	Fiber Unit Employees Pension Fund Trust			277.68	1198.08
	Sikka Unit Employees Pension Fund Trust			260.84	939.48
	Polymer Unit Staff Pension Fund Trust			92.36	412.09
	Gsfc Employees PF Trust		Contribution towards short fall	0.00	706.15
	Polymer Unit Employees PF Trust			0.00	80.85
	Fiber Unit Employees PF Trust			0.00	158.89
	Sikka Unit Employees PF Trust			0.00	252.77
GSFC Agrotech Limited	Gujarat Green Revolution Company	Associate Company of Holding Company	Sale of Services	416.79	401.29
			Outstanding balance-Receivables	321.79	125.51
GSFC Agrotech Limited	Gujarat Narmada Valley Fertilizers Company Limited	Related Party of Holding Company	Purchase of Materials	244.22	865.14
			Sale of Material	76.64	74.13
			Outstanding balance-Payables	(1.52)	(53.68)
			Outstanding balance-Receivables	7.42	17.31
GSFC Agrotech Limited	Indian Potash Limited	Related Party of Holding Company	Purchase of Materials	2,217.84	4562.86
			Outstanding balance-Payables	(76.50)	(203.37)

39. Related party transactions (Contd...)

GSFC Agrotech Limited	S. K. Mishra / M.P.Punwar, CEO	Key Management Personnel	Remuneration	55.61	54.00
GSFC Agrotech Limited	D. D. Bhalgamiya, CFO				
GSFC Agrotech Limited	Purvi Dani, CS				
GSFC Agrotech Limited	GSFC Education Society	Other Related Party	Donation Granted	22.44	24.41
GSFC Agrotech Limited	GSFC Science Foundation	Other Related Party	Expenses Recovered	12.39	11.99

- Please refer remuneration to Non-executive Directors under Managerial Remuneration point in Corporate Governance Report for Directors Sitting Fees

Following are the list of RPs where Company has no transaction during FY 2023-24 & 2022-23

Name of the party (listed entity/subsidiary)	Name of the Counterparty	Nature of Relationship with the listed Entity or its subsidiary
GSFC LTD	Gujarat State Financial Investment Limited	Promoter
GSFC LTD	Vadodara Jal Sanchay Private Limited	Subsidiary
GSFC LTD	Gujarat Port & Logistic Company Limited	Subsidiary

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Related Party Transaction amounts shown in above table are inclusive of taxes.Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31st March,2023: Nil). 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.

Terms and conditions of transactions with related parties:

Transactions with key management personnel:

(₹ in lakhs)

Remuneration to key management personnel:	For the year ended	
	31-Mar-24	31-Mar-23
Short term employee benefits	144.44	174.93
Post employment benefits	15.86	11.71
Long-term employee benefits	12.31	10.85
Total	**172.60**	**197.49**

40. Segment information

For management purposes, the company is organised into business units based on its products and has two reportable segments, as follows:

1. **Fertilizer products** comprising of Urea, Ammonium Sulphate, Di-ammonium Phosphate, Ammonium Phosphate Sulphate, NPK (12:32:16), (10:26:26), traded fertilizer products etc.
2. **Industrial products** comprising of Caprolactam, Nylon-6, Nylon Chips, Melamine, Methanol, traded industrial products etc.

   The Chief Operating Decision Maker ("CODM") evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by the two operating segments. The CODM reviews revenue and gross profit as the performance indicator for both operating segments.

(₹ in lakhs)

A]	SEGMENT REVENUE:	31-Mar-24	31-Mar-23
1	TOTAL SEGMENT REVENUE		
	a) Fertilizer Products	6,61,209.40	8,76,956.71
	b) Industrial Products	2,32,002.15	2,52,845.96
	TOTAL	8,93,211.55	11,29,802.67
2	INTER SEGMENT REVENUE	-	-
3	EXTERNAL REVENUE (1 - 2)		
	a) Fertilizer Products	6,61,209.40	8,76,956.71
	b) Industrial Products	2,32,002.15	2,52,845.96
	TOTAL	8,93,211.55	11,29,802.67
B]	RESULT:		
1	Segment result		
	a) Fertilizer Products	35,214.63	1,48,436.43
	b) Industrial Products	1,566.34	517.15
	TOTAL	36,780.97	1,48,953.58
2	a) Unallocated income	35,494.13	13,636.52
	b) Unallocated expenses	(4,718.19)	(4,347.11)
3	Operating Profit (B1 + B2)	67,556.91	1,58,242.99
4	Finance Cost	(1,119.34)	(1,489.42)
5	Provision for Taxation:		
	Current Income Tax	(15,165.53)	(41,033.58)
	Deferred Tax (net)	227.92	11,567.89
	Earlier Year Tax	932.33	2,019.74
6	Net Profit	52,432.29	1,29,307.62
C]	OTHER INFORMATION:		
1	Segment assets		
	a) Fertilizer Products	3,79,664.65	4,47,521.81
	b) Industrial Products	1,97,362.62	2,03,198.66
	TOTAL	5,77,027.27	6,50,720.47
2	Unallocated corporate assets	9,10,937.08	7,26,566.45
3	Total Assets	14,87,964.35	13,77,286.92

(₹ in lakhs)

		31-Mar-24	31-Mar-23
4	**Segment Liabilities**		
	a) Fertilizer Products	1,19,650.39	87,472.02
	b) Industrial Products	49,888.21	33,639.11
	TOTAL	**1,69,538.60**	**1,21,111.13**
5	**Unallocated corporate liabilities**	57,334.37	59,823.31
6	**Total Liabilities**	**2,26,872.97**	**1,80,934.44**
7	**Capital Expenditure**		
	a) Fertilizer Products	10,160.14	9,269.57
	b) Industrial Products	6,328.46	987.32
	c) Corporate Capital Expenditure	2,486.87	2,104.62
	TOTAL	**18,975.47**	**12,361.51**
8	**Depreciation and Amortisation**		
	a) Fertilizer Products	9,333.83	9,226.86
	b) Industrial Products	8,860.21	8,818.16
	c) Unallocated corporate	108.02	106.29
	TOTAL	**18,302.06**	**18,151.31**
9	**Non-Cash expenses**		
	a) Fertilizer Products	27,309.66	2,906.26
	b) Industrial Products	18,841.19	1,698.31
	TOTAL	**46,150.85**	**4,604.58**

D] As per the directives issued by Department of Fertilizers (DoF), Company needs to report P&K fertilizers as a separate segment in Annual Audited Accounts. Accordingly, as per the DoF evaluation criteria for FY 2023-24, the P&K Fertilizers- Manufacturing Revenue and P&K Fertilizers-Imported Revenue is reported at ₹ 4299.28 Crores & ₹ 615 Crores respectively. The Segment Result is reported at ₹ 246.72 Crores for P&K Fertilizers-Manufacturing and at ₹ 115.88 Crores for P&K Fertilizers-Imported."

41. Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The carrying value of financial instruments by categories as of 31st March, 2024 is as follows: **(₹ in lakhs)**

Particulars	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Non-current investments	-	5,88,628.71	6,989.84	5,95,618.55	4,88,458.83	-	1,00,169.88	5,88,628.71
Other Non-current financial asset	-	-	8,530.43	8,530.43	-	-	-	-
Trade receivables	-	-	50,198.49	50,198.49	-	-	-	-
Government subsidy receivable	-	-	1,10,630.80	1,10,630.80	-	-	-	-
Cash and cash equivalents	-	-	51,233.33	51,233.33	-	-	-	-
Other bank balances	-	-	1,76,762.25	1,76,762.25	-	-	-	-
Current loans	-	-	25,886.96	25,886.96	-	-	-	-
Derivative financial instruments	43.48	-	-	43.48	-	43.48	-	43.48
Other Current financial asset	-	-	8,004.56	8,004.56	-			
	43.48	**5,88,628.71**	**4,38,236.66**	**10,26,908.85**	**4,88,458.83**	**43.48**	**1,00,169.88**	**5,88,672.19**
Financial liabilities								
Non current borrowings	-	-	-	-	-	-	-	-
Current borrowings	-	-	250.45	250.45	-	-	-	-
Lease Liabilities	-	-	260.42	260.42	-	-	-	-
Trade payables	-	-	75,165.10	75,165.10	-	-	-	-
Other current financial liabilities	-	-	29,193.95	29,193.95	-	-	-	-
Derivative financial instruments	-	-	-	-	-	-	-	-
	-	**-**	**1,04,869.92**	**1,04,869.92**	**-**	**-**	**-**	**-**
The carrying value of financial instruments by categories as of 31 st March, 2023 is as follows:								**(₹ in lakhs)**
Financial assets								
Non-current investments	-	5,20,869.74	6,989.84	5,27,859.58	4,02,088.25	-	1,18,781.49	5,20,869.74
Other Non-current financial asset	-	-	2,994.73	2,994.73	-	-	-	-
Trade receivables	-	-	49,151.28	49,151.28	-	-	-	-
Government subsidy receivable	-	-	1,76,029.18	1,76,029.18	-	-	-	-
Cash and cash equivalents	-	-	1,08,257.02	1,08,257.02	-	-	-	-
Other bank balances	-	-	34,025.48	34,025.48	-	-	-	-
Current loans	-	-	24,793.53	24,793.53	-	-	-	-
Derivative financial instruments	-	-	-	-	-	-	-	
Other Current financial asset	-	-	1,257.78	1,257.78	-	-	-	-
	-	**5,20,869.74**	**4,03,498.84**	**9,24,368.58**	**4,02,088.25**	**-**	**1,18,781.49**	**5,20,869.74**
Financial liabilities								
Non current borrowings	-	-	-	-	-	-	-	-
Current borrowings	-	-	-	-	-	-	-	-
Lease Liabilities			238.85	238.85	-	-	-	-
Trade payables	-	-	58,643.05	58,643.05	-	-	-	-
Other current financial liabilities	-	-	24,833.79	24,833.79	-	-	-	-
Derivative financial instruments	15.75	-	-	15.75	-	15.75	-	15.75
	15.75	**-**	**83,715.69**	**83,731.44**	**-**	**15.75**	**-**	**15.75**

B. Measurement of fair values & Sensitivity Analysis

i) Valuation techniques and significant unobservable inputs

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Financial instruments measured at fair value

Financial assets / financial liabilities	Fair Value (₹ In Lakhs) as at		Fair Value hierarchy	Valuation technique(s) and key input(s)
	31-03-2024	31-03-2023		
1) Investments in equity instruments at FVTOCI (quoted) (see note 7)	Listed equity securities in various companies engaged in fertilizer, chemicals,finance, gas, power and mining industry aggregate fair value of ₹ 4,88,458.82	Listed equity securities in various companies engaged in fertilizer, chemicals,finance, gas, power and mining industry aggregate fair value of ₹ 4,02,088.25	Level 1	Quoted bid prices in an active market

Particulars	Valuation technique(s) & key input(s)	Fair Value (₹ In Lakhs) as at		Fair Value hierarchy	Significant unobservable input(s)	Relationship of unobservable input(s) to fair value
		31-03-2024	31-03-2023			
2) Investments in equity instruments at FVTOCI (unquoted) (see note 7)	Market Approach- Comparable companies-In this approach, the value of shares / business of a company is determined based on market multiples of publicly traded comparable companies. The appropriate multiple is generally based on performance of listed companies with similar business model and size (Refer note 1 below).	Investment in companies engaged in business of fertilizers industry - aggregate fair value of ₹ 74,770.43	Investment in companies engaged in business of fertilizers industry - aggregate fair value of ₹ 80,707.50	Level 3	Market Multiple Discount ranging from 15% to 25% (As at 31.3.23, from 15% to 25%)	Increasing/Decreasing the Market Multiples by probability weighted range, would change the FV by +INR 3519.00 lakhs & -INR 3903.30 lakhs. (As at 31.3.23, +INR 1597.50 lakhs & -INR 2182.50 lakhs)
	Cost Approach- In this approach, Replacement Cost method & Book Value method used. & Income Approach- In this approach, discounted cash flow method used to capture the present value of the expected future economic benefits to be derived from the ownership of this investee.	Investment in companies engaged in business of storage facilities - aggregate fair value of ₹ 21,092.63	Investment in companies engaged in business of storage facilities - aggregate fair value of ₹ 34,336.84	Level 3	Market Multiple Discount ranging from 10% to 20% (As at 31.3.23 from 25% to 35%)	Increasing/Decreasing the Market Multiples by probability weighted range, would change the FV by +INR 1256.97 lakhs & -INR 1226.32 lakhs. (As at 31.3.23, +INR 4905.26 lakhs & -INR 3678.95 lakhs)
	Cost Approach- Net Asset Value - In this approach, total value is based on the sum of net asset value as recorded on the balance sheet. A net asset methodology is most applicable for businesses where the value lies in the underlying assets and not the ongoing operations of the business. (Refer note 1 and 2 below).	Investment in companies engaged in power and finance industry - aggregate fair value of ₹ 189.63	Investment in companies engaged in power and finance industry - aggregate fair value of ₹ 167.50	Level 3	Discount to Book Value ranging from 15% to 30% (As at 31.3.23 from 15% to 30%)	Increasing/Decreasing the Discounting Factor by probability weighted range, would change the FV by +INR 22.01 lakhs & -INR 20.83 lakhs (As at 31.3.23, +INR 19.90 lakhs & -INR 18.70 lakhs)
	(Refer Note below)	Investment in company engaged in the business of gas marketing - aggregate fair value of ₹ 4,117.20	Investment in company engaged in the business of gas marketing - aggregate fair value of ₹ 3,569.65	Level 3	10% +/- over base value(As at 31.3.23, 10% +/- over base value)	10% increase/Decrease over base value, would change FV by +INR 371.30 lakhs & -INR 373.65 lakhs. (As at 31.3.23, +INR 352.50 lakhs & -INR 350.15 lakhs)
	Note : Under this method the value of each business/assets/investment has been arrived separately and total value estimate for the company presented as the sum of all its business/assets/investment.					

Note 1 :The Company has invested in the equity instruments of various companies. However, the percentage of shareholding of the Company in such investee companies is very low and hence, it has not been provided with future projections including projected profit and loss account by those investee companies. Hence, the independent valuer appointed by the Company has estimated fair value based on available historical Annual Reports of such companies and other information as available in the public domain. Since the future projections are not available, discounted cashflow approach for fair value determination has not been followed.

Note 2 : In case of some companies, there are no comparable companies valuations available. In light of no information available for future projections, capacity utilisation, commencement of operations, etc., the valuation is based on cost approach.

ii) Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during 2023-24 & 2022-23.

iii) Level 3 fair values

Reconciliation of Level 3 fair values

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values.

(₹ in lakhs)

Paticulars	Equity securities
Opening Balance (1 April 2023)	1,18,781.49
Net change in fair value (unrealised)	(18,611.61)
Purchases	-
Closing Balance (31 March 2024)	**1,00,169.88**

Transfer out of Level 3

There were no movement in level 3 in either directions during the year 2023-24 & 2022-23.

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

i. Risk

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company manages market risk through a Financial risk management committee, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Audit cum finance committee and Board of Directors. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit cum finance committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade and other receivables

The Company's exposure to credit is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Revenue department has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, and in some cases bank references. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the Board of Directors.

Goods are sold subject to retention of title clauses, so that in the event of non-payment the Company may have a secured claim. The Company does not otherwise require collateral in respect of trade and other receivables.

The company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables. The provision matrix of ECL at the end of reporting period is as follows.

Particulars	Expected credit loss %
Within the credit Period	0.03%
1-90 days past due	0.37%
91-180 days past due	2.07%
181-270 days past due	6.91%
270-360 days past due	16.45%
360-450 days past due	33.29%
450-540 days past due	53.26%
540-630 days past due	72.94%
630-720 days past due	100.00%
More than 720 days past due	100.00%

Impairment

The ageing of trade and other receivables that were not impaired was as follows.

(₹ in lakhs)

Particulars	Carrying amount	
	March 31, 2024	March 31, 2023
Less than 6 Months	1,18,924.46	1,92,707.75
Past due 6 Months - 1 Year	18,757.35	18,971.65
Past due 1 Year - 2 Year	10,819.66	3,058.62
Past due 2 Year - 3 Year	1,959.00	54.20
Past due more than 3 Year	10,368.82	10,388.24
	1,60,829.29	**2,25,180.46**

Management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

Movement in expected credit loss allowance (₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balance at the beginning of the year	7,044.36	7,128.86
Movement in the expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	47.65	(84.50)
	7,092.01	7,044.36

During the FY 2023-24, impairment provision was increased by ₹ 47.65 Lakhs whereas in FY 2022-23, impairment provision had reduced by INR 84.50 Lakhs.

Cash and cash equivalents

The Company held cash and cash equivalents of ₹ 51233.33 Lakhs at March 31, 2024 (₹ 108257.02 Lakhs at March 31, 2023). The cash and cash equivalents are held with approved scheduled banks.

Derivatives

The derivatives deals are done with AD category banks in OTC market and registered brokers in ETCD market.

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Financing facilities: (₹ in lakhs)

Particulars	As at 31-03-2024	As at 31-03-2023
a) Secured cash credit, reviewed annually		
- amount used	-	-
- amount unused	30,000.00	30,000.00
b) Unsecured commercial papers, reviewed annually		
- amount used	-	-
- amount unused	1,00,000.00	1,00,000.00
c) Unsecured working capital demand loan, reviewed annually		
- amount used	250.45	-
- amount unused	84,749.55	1,10,000.00

Exposure to liquidity risk

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payment as at 31st March 2024.

(₹ in lakhs)

March 31, 2024	Contractual cash flows				
	Carrying amount	Less than 1 year	1-2 years	2-5 years	More than 5 years
INR					
Non-derivative financial liabilities					
Working capital loans from banks	250.45	250.45	-	-	-
Lease Liabilities	260.42	108.30	152.12	-	-
Trade payables	75,165.10	75,165.10	-	-	-
Other current financial liabilities	29,193.95	29,193.95	-	-	-
Derivative financial liabilities					
Derivative contracts					
- Outflow	-	-	-	-	-

March 31, 2023	Contractual cash flows				
	Carrying amount	Less than 1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities					
Working capital loans from banks	-	-	-	-	-
Lease Liabilities	238.85	90.62	148.23	-	-
Trade payables	58,643.05	58,643.05	-	-	-
Other current financial liabilities	24,833.79	24,833.79	-	-	-
Derivative financial liabilities					
Derivative contracts					
- Outflow	15.75	15.75	-	-	-

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments.Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of company's investments. Thus, company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to control the financial risks associated with the Foreign Exchange/ Currency rate movements through a sophisticated Foreign Exchange Risk Management System.

Currency risk

The Company is exposed to currency risk on account of its import payables and borrowings in foreign currency. The functional currency of the Company is Indian Rupee. The Company uses forward exchange contracts, Options and futures to hedge its currency risk, most with a maturity of less than one year from the reporting date.

The company is using derivative instruments which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables and receivables.

Exposure to currency risk

The currency profile of financial assets and financial liabilities was as below: **(₹ in lakhs)**

Particulars	March 31, 2024			
	INR	USD[1]	CAD[1]	Others[1]
Financial assets				
Cash and cash equivalents	51,233.33	-	-	-
Other bank balances	1,76,762.25	-	-	-
Non-current investments	5,90,993.71	-	4,624.84	-
Current loans and advances	25,886.96	-	-	-
Trade and other receivables	1,57,381.92	3,447.37	-	-
Derivative assets	43.48	-	-	-
Other Non-Current financial assets	8,530.43	-	-	-
Other Current financial assets	8,004.56	-	-	-
	10,18,836.64	**3,447.37**	**4,624.84**	**-**
Financial liabilities				
Short term borrowings	250.45	-	-	-
Lease Liabilities	260.42	-	-	-
Trade and other payables	66,561.83	8,422.47	(7.75)	188.55
Derivative liabilities	-	-	-	-
Other Current financial liabilities	29,193.90	-	-	0.05
	96,266.60	**8,422.47**	**(7.75)**	**188.60**

(₹ in lakhs)

Particulars	March 31, 2023			
	INR	USD[1]	CAD[1]	Others[1]
Financial assets				
Cash and cash equivalents	1,08,257.02	-	-	-
Other bank balances	34,025.48	-	-	-
Non-current investments	5,23,234.74	-	4,624.84	-
Current loans and advances	24,793.53	-	-	-
Trade and other receivables	2,23,750.23	1,243.13	-	187.10
Derivative assets	-	-	-	-
Other Non-Current financial assets	2,994.73	-	-	-
Other Current financial assets	1,257.78	-	-	-
	9,18,313.51	**1,243.13**	**4,624.84**	**187.10**
Financial liabilities				
Short term borrowings	-	-	-	-
Lease Liabilities	238.85	-	-	-
Trade and other payables	51,927.81	6,647.00	-	68.24
Derivative liabilities	-	15.75	-	
Other Current financial liabilities	24,764.00	-	-	69.79
	76,930.66	**6,662.75**	**-**	**138.03**

1 - The figures are in INR Equivalent of respective currency

The following significant exchange rates have been applied during the year.

	Year-end spot rate	
INR	**March 31, 2024**	**March 31, 2023**
USD	83.37	82.22
CAD	61.98	61.33

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollars at 31st March would have affected the measurement of financial instruments denominated in US dollars and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(₹ in lakhs)

	31 March 24		31 March 23	
Effect in INR	**Strengthening**	**Weakening**	**Strengthening**	**Weakening**
10% movement				
USD	2,149.06	(1,228.04)	(249.95)	991.40
CAD	462.48	(462.48)	462.48	(462.48)

42. Research & Development Expenses

(₹ in lakhs)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Capital*	59.07	78.55
Recurring**	1,274.28	975.18
Total	**1,333.35**	**1,053.73**
*Capital Expenses included in PPE Note No. 5	59.07	78.55
**Recurring Expenses included in		
Note No. 33 Employee Benefit expenses	1,243.29	958.21
Note No. 35 Other expenses	30.99	16.97

43. Corporate Social Responsibility

(₹ in lakhs)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
a) Amount required to be spent by the company during the year	2,136.84	1,191.39
b) Amount of expenditure incurred #	1,558.43	1,191.45
c) Shortfall at the end of the year	578.41	-
d) Total of previous year shortfall	-	-
e) Reason for shortfall	Ongoing Projects	NA
f) Nature of CSR activities	Education, Safe Drinking Water, Rural Development Projects	Education, Safe Drinking Water, Rural Development Projects
g) Details of related party transactions (Donation to GSFC Education Society & GSFC Science Foundation)**	880.50	893.84
h) Provision is made with respect to a liability incurred by entering into a contractual obligation	NA	NA

* As at March 31, 2024, ₹ 578.41 lakhs (refer note no. 27) towards unspent CSR amount for various ongoing projects is transferred to separate bank account within 30 days from close of financial year and the same is included under the head Donation and Contribution in Other Expense (Note No. 35)

₹ 1,558.43 lakhs includes ₹ 1,122.13 Lakhs accounted under the head Donations and Contributions in Other Expenses (Note No. 35), ₹ 229.46 Lakhs accounted under various other heads of the Statement of Profit & Loss and ₹ 206.84 Lakhs set-off from excess CSR spending during earlier years. (In FY 2022-23, ₹ 1,191.39 lakhs included ₹ 966.78 Lakhs accounted under the head Donations and Contributions in Other Expenses (Note No. 35) and ₹ 224.67 Lakhs accounted under various other heads of the Statement of Profit & Loss)

** Refer Note no 39 for Related Party Transactions.

44. Details on derivative instruments and unhedged foreign currency exposure

(I) (a) Forward exchange contracts and options(being derivitive instruments) which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables and receivables.

(i) Outstanding forward exchange contracts entered into by the Company as on 31 March, 2024

Currency	Amount (in Mn)	Buy / Sell	Cross currency
USD	8.00	Buy	Rupees
USD	(0.00)	Buy	Rupees

Note: Figures in brackets relate to the previous year

(b) Currency Futures (other than forward exchange contracts stated above) which are not intended for trading or speculative purposes but for hedge purposes to hedge against fluctuations in changes in exchange rate.

Currency	Amount (in Mn)	Buy / Sell	Cross currency
USD	3.73	Buy	Rupees
USD	(14.00)	Buy	Rupees

Note: Figures in brackets relate to the previous year

(II) The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise, represented in equivalent USD: USD 20.27 Mn (As at March 31, 2023: USD 2.84 Mn)

45. Ind As 115 : Revenue from Contracts with Customers

The Company generates revenue primarily from manufacturing of Fertilizers and Chemical Products. The Company has recognised revenue by satisfying its performance obligations at a point of time basis. The revenue from contracts with customers to the amounts disclosed as total revenue are as under:

(₹ in lakhs)

Particulars	Year end 31st March, 2024	Year end 31st March, 2023
Revenue from Contract with Customers	5,39,873.01	5,48,770.98
Revenue from Subsidy from Government	3,53,338.54	5,81,031.69
Total Revenue	**8,93,211.55**	**11,29,802.67**

The break-up of Revenue from Contract with Customers is as under:

(A) Revenue from Contract with Customers – Segment-wise

(₹ in lakhs)

Particulars	Year end 31st March, 2024	Year end 31st March, 2023
Fertilizer Products	6,61,209.40	8,76,956.71
Industrial Products	2,32,002.15	2,52,845.96
Total Revenue	**8,93,211.55**	**11,29,802.67**

(B) Revenue from Contract with Customers – Activity-wise

(₹ in lakhs)

Particulars	Year end 31st March, 2024	Year end 31st March, 2023
Revenue generated from Manufacturing Activity	8,06,743.19	10,20,648.77
Revenue generated from Trading Activity	85,758.19	1,07,811.18
Revenue generated from Other Operating Activity	710.17	1,342.72
Total Revenue	**8,93,211.55**	**11,29,802.67**

(C) Contract Liability: **(₹ in lakhs)**

Particulars	Year end 31st March, 2024	Year end 31st March, 2023
Opening Balance of Contract Liability	1,853.43	1,560.76
Revenue Recognised from the opening balance of contract liability	1,853.43	1,415.26
Current year Contract liability - Carried Forward	1,451.50	1,707.92
Closing Balance of Contract Liability	1,451.50	1,853.43

The nature of services and its disclosure of timing of satisfaction of performance obligation is mentioned in para 3.1 of Note No 3.There are no contract assets in the Balance Sheet. Contract Liabilities in the Balance Sheet constitutes advances from customers. The Company expects to recognise such revenue in the next financial year. There were no significant changes in contract liabilities during the reporting period except amount as mentioned in the table and explanation given above. Under the payment terms generally applicable to the Company's revenue generating activities, prepayments are received only to a limited extent. Typically, payment is due upon or after completion of delivery of the goods.

46. Other Statutory Disclosures:

i. The Company does not have any Immovable Property whose title deeds are not held in the name of the Company.

ii. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

iii. The Company has not been declared as a wilful defaulter by any lender who has powers to declare a company as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when financial statements are approved.

iv. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediaries shall:

 (a) directly or indirectly lend or invest in other persons or entities identifed in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

 (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

v. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

 (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

 (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

vi. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

vii. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

viii. The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.

ix. The Company does not have any transaction which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

x. Disclosure as per regulation 34(3) and 53(f) of Securities and Exchange Board of India (listing obligations and disclosures requirements) regulations, 2015:

 (a) Loans & Advances in the nature of loans to subsidiaries is ₹ Nil (PY: ₹ Nil)

47. Details of Struck-off companies

Name of Struck off company	Nature of transactions with Struck-off Company	Relationship with the Struck off company, if any, to be disclosed	Balance Outstanding as at March 2024 (₹ Lakhs)	Balance Outstanding as at March 2023 (₹ Lakhs)
OM TRADING COMPANY PRIVATE LIMITED	Receivables	NA	2.29	2.29
CLICKFORSTEEL SERVICES LIMITED		NA	3.51	3.51
HP ENTERPRISES PRIVATE LIMITED *		NA	0.67	0.67
A.V.U. ENGINEERS PVT.LTD	Payables	NA	1.98	1.98
RTC AGRI SERVICES PRIVATE LIMITED *		NA	0.28	0.28

* Company has created provision for doubtful debts for these debtors.

48. Other Matters

(i) With respect to Fibre Unit and Polymer Unit, the Net Realizable Value of the units is higher compared to its carrying value as on March 31, 2024.

(ii) Previous year figures are regrouped / reclassified wherever required in order to make it comparable.

(iii) Balances of Sundry Creditors, Sundry Debtors, Loans & advances, etc. are subject to confirmation and reconciliation.

(iv) The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the financial statements to determine the necessity for recognition and / or reporting of any of these events and transactions in the financial statements. As of 21st May, 2024 there were no subsequent events to be recognized or reported that are not already disclosed.

49. Financial Ratios

RATIO	UNIT OF MEASUREMENT	NUMERATOR	DENOMINATOR	FY 23-24	FY 22-23	% VARIANCE	REASON FOR MAJOR VARIANCE (BY MORE THAN 25%)
Current Ratio	Times	Current Assets	Current Liabilities	4.47	5.17	-14%	
Debt Equity Ratio	Times	Total Debt #	Total Equity	0.00	0.00	0%	
Debt Service Coverage Ratio	Times	Earnings available for debt service##	Borrowings Finance Cost + Principal Repayments due	0.00	0.00	0%	
Return on Equity	%	PAT	Average Shareholders Equity	4.27%	10.94%	-61%	Return on Equity reduced because of lower subsidy rates and market headwinds in Industrial Products.
Inventory Turnover	Times	Revenue from operations	Average Inventory	16.69	17.82	-6%	
Trade Receivables Turnover	Times	Sales Excluding Subsidy	Average Trade receivables	10.88	12.90	-16%	
Trade Payables Turnover	Times	Total Credit Purchases	Average Trade Payables	11.43	13.13	-13%	
Net Capital Turnover	Times	Revenue from operations	Average Working Capital	2.07	3.04	-32%	Net Capital Turnover was lower due to lower sales and higher average working capital YoY.
Net Profit Ratio	%	PAT	Revenue from operations	5.87%	11.45%	-49%	Profitability was affected by substantially lower subsidy rates and strained Industrial Products spreads during FY 23-24.
Return on Capital Employed	Times	Earning before interest and taxes	Capital Employed **	0.05	0.13	-59%	ROCE declined in line with decline in ROE
Return on Investment	%	Yield	Average Investment	7.56%	5.90%	28%	Return is higher due to higher Interest Rates

#Total Debt includes Current and Non current Borrowings as well as Current maturities of long term Borrowings

##Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

** Capital Employed = Tangible Net Worth + Total debt + Deferred Tax Liability

$Calculated for treasury investments only. Previous year's ratio is being recalculated on daily weighted average investment so it changed from 3.83% to 5.90%

Signatures to Notes 1 to 49 forming the part of the Financial Statements.

In terms of our report attached.

For **Parikh Mehta & Associates**
Chartered Accountants
Firm Registration No.: 112832W

Tejal Parikh
Partner
Membership No.: 109600

Kamal Dayani
Managing Director
(DIN-05351774)

Tapan Ray
Director
(DIN-00728682)

V. D. Nanavaty
ED (Finance) & CFO

Nidhi Pillai
Company Secretary

Gandhinagar
21st May, 2024

Independent Auditor's Report

To the Members of Gujarat State Fertilizers & Chemicals Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Gujarat State Fertilizers & Chemicals Limited (hereinafter referred to as "the Holding Company" or "the Company") and its subsidiary companies (the Holding and its subsidiaries together referred as "the Group"), and its associates, comprising of the consolidated Balance Sheet as at March 31, 2024, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Statement of Changes in Equity and the consolidated Cash Flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standard prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015 as amended ("Ind AS") and the accounting principles generally accepted in India, of the state of affairs of the Group and its associates as at March 31, 2024, of consolidated profit, consolidated total comprehensive income, consolidated statement of changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
Evaluation of uncertain tax positions: The Group has material uncertain tax positions for liability of ` 23,781.76 Lakhs including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Refer Note 38 to the consolidated financial statements.	***Principal Audit Procedures*** Our audit procedure included: • Evaluated the related accounting policy for provisioning for tax exposures and obtained details of completed tax assessments and demands up to the year ended March 31, 2024 from the management. • Evaluated auditee's response /opinion taken from various tax experts by auditee to challenge the underlying assumptions in estimating the tax provision and the possible outcome of the disputes. We also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. • Additionally, we considered the effect of new information in respect of uncertain tax positions as at March 31, 2024 to evaluate whether any change was required to management's position on these uncertainties. We evaluated the adequacy of disclosures in the consolidated financial statements.

	Based on the above procedures performed, the results of management's assessment were considered to be consistent with the outcome of our procedures.
Impairment of property, plant and equipment: The Group has discontinued its operations at Fiber & Polymer unit due to non-viability of its products. Carrying Value of the assets of the Fiber & Polymer unit as on March 31, 2024 works out to ` 4,688.93 Lakhs & ` 135.28 Lakhs respectively. We have considered this issue to be a key audit matter because the analysis performed by management requires the use of complex estimates and judgments regarding the future earnings performances / recoverable amount of the currently discontinued units to which the aforementioned assets belong.	***<u>Principal Audit Procedures</u>*** Our audit procedure included: • Evaluated the management's various viable proposals, impairment calculations, assessing the net recoverable value the currently discontinued units used in the models, and the process by which they were drawn up, including comparing them to the latest circle rates of the Land, and testing the underlying calculations. Based on our audit procedures, we found management's assessment in determining the carrying value of the property, plant and equipment of Fiber and Polymer unit to be reasonable. Refer Note 48(i) to the consolidated financial statements.
Assessment of implications of Government policies/notifications on recognition of subsidy revenue and its recoverability: During the year, the Group has recognised subsidy revenue amounting to ` 3,53,338.54 Lakhs and the aggregate amount of subsidy receivable as at March 31, 2024 is ` 1,07,558.99 Lakhs. The amount of subsidy income and the balance receivable are significant to the consolidated financial statements. We focused on this area since the recognition of subsidy revenue and the assessment of recoverability of the related subsidy receivables is subject to significant judgments of the management. The areas of subjectivity and judgment include interpretation and satisfaction of conditions specified in the notifications / policies in the estimation of timing and amount of recognition of subsidy revenue, likelihood of recoverability and allowance if any in relation to the outstanding subsidy receivables.	***<u>Principal Audit Procedures</u>*** Our audit procedure included: • Understood and evaluated the design and tested the operating effectiveness of controls as established by the management in recognition of subsidy revenue and assessment of the recoverability of outstanding subsidy. • Evaluated the management's assessment regarding reasonable certainty of complying with the relevant conditions as specified in the notifications / policies. We also reviewed the calculation of urea concession income including escalation / de-escalation adjustments as per relevant policy parameters in this regard. • We assessed the reasonableness of the recoverability of subsidy receivable by reviewing the management's analysis and information used to determine the recoverability of subsidy receivable, ageing of receivables and historical collection trends and evaluated adequacy of disclosures in the consolidated financial statements. Based on the above procedures performed, the management's assessment of implications of government notifications / policies on recognition of subsidy revenue and its recoverability was considered to be reasonable.
Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers": The group primarily manufactures and sells a number of fertilizer and chemical products to its customers, mainly through its own distribution network. Sales contracts specifically w.r.t Bill and Hold transaction contains constructive obligation for transfer of control to the buyer. As per the terms of the contract with the customers, the group used to recognize the sale based on the invoicing and considering the transfer of control and other criteria set out in para B81 of Ind AS 115. Refer Note 45 to the consolidated financial statements.	***<u>Principal Audit Procedures</u>*** Our audit procedure: • " Focused on transactions occurring within proximity of the year end in the Fertilizer segment, obtaining evidence to support the appropriate timing of revenue recognition based on terms and conditions set out in sales contracts, delivery documents and dealers' confirmation. Based on the above procedures performed, we found management's assessment in recognizing the revenue for Bill & Hold transactions are to be reasonable.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in Annual Report (i.e. the Board's Report and Annexure to Board's Report, Business Responsibility & Sustainability Report, Management Discussion and Analysis, Corporate Governance Report and Shareholder's Information) but does not include the consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 (Revised) 'The Auditor's Responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group and its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, as amended.

The respective Board of Directors of the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its associates and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and it associates are responsible for assessing the ability of the Group and its associates 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 group and its associates or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its associates are also responsible for overseeing the financial reporting process of the group and of its associates.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to these consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities of the Group and its associates of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

The consolidated financial statements includes the unaudited financial statements / financial information of 3 subsidiaries, whose financial statement / financial information reflects total assets of ` 15,312.24 Lakhs as at March 31, 2024, total revenue of ` 44,624.43 Lakhs, total net loss of ` 413.94 Lakhs and total comprehensive income of ( ` 411.82 Lakhs) for the year ended March 31, 2024 respectively and net cash inflow of ` 463.21 Lakhs for the year ended on March 31, 2024 as considered in the financial statement. The consolidated financial statements also include associates profit/ (loss) after tax of ` 841.36 Lakhs and total comprehensive income of ` 840.04 Lakhs for the year ended March 31, 2024, as considered in the statement of respect of 3 associates whose financial statements / financial information have not been audited. This financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements / financial information, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, is solely based on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, this financial statements / financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable, that:

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

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including of Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flows Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, as amended.

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company/subsidiary company/its associates companies incorporated in India, none of the directors of these entities is disqualified as on March 31, 2024 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 consolidated financial statements of the Holding Company and its subsidiaries incorporated in India and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"** to this report.

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 managerial remuneration has been paid/provided by the Group and its associates incorporated in India, to its directors during the year is in accordance with the provisions of section 197 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

   i) The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements - Refer Note 38 to the consolidated financial statements.

   ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

   iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the group.

   iv) (a) The management has represented that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the group and its associates to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group ("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 their knowledge and belief, no funds have been received by the group and its associates from any person(s) or entity(ies), including foreign entities

("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

v) The final dividend proposed in the previous year, declared and paid by the group during the year, is in compliance with section 123 of the Act.

As stated in note 20 to the consolidated financial statement, the Board of Directors of the Holding Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

vi) Based on our examination, which included test checks, performed by us on the Group and associates incorporated in India, except for the instances mentioned below, have used accounting software for maintaining their books of account for the financial year ended March 31, 2024 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 softwares. Further, during the course of our audit, we have not come across any instance of audit trail feature being tampered with.

The financial statements of the three subsidiaries and two associates incorporated in India, that are not material to the consolidated financial statements of the Group, have not been audited under the provisions of the Act as of the date of this report. Therefore, we are unable to comment on the reporting requirement under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 in respect of these three subsidiaries and two associates.

As proviso to Rule 3(1) of the Companies(accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as the per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For Parikh Mehta & Associates
Chartered Accountants
Firm Reg. No.: 112832W

Sd/-
Tejal Parikh
Partner
Membership No. 109600
UDIN: 24109600BKACFZ6347

Place: Gandhinagar
Date: May 21, 2024

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

ANNEXURE A

THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED.

(Referred to in Paragraph 1(f) under the Heading of "Report on Other Legal and Regulatory Requirements" section of our Report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statement of **GUJARAT STATE FERTILIZERS AND CHEMICALS LIMITED** (hereinafter referred to as "the Holding Company") company as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies (the Holding Company and its subsidiaries together referred to as "the Group") which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial control with reference to consolidated financial statements of the Holding Company and subsidiary companies, which are incorporated in India, 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 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to 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 the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence obtained by us and the other auditor of the subsidiary companies incorporated in India, in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial with reference to consolidated financial statements of the Holding Company and subsidiary companies which are incorporated in India.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the report of other auditor, as referred to in the Other Matters paragraph below, the holding company and its subsidiary companies which are incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting established by the respective companies, 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.

Other Matters

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to standalone financial statements of subsidiary companies which are incorporated in India, is based solely on the corresponding reports of the auditor of such company.

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

For Parikh Mehta & Associates
Chartered Accountants
Firm Reg. No.: 112832W

Sd/-
Tejal Parikh
Partner
Membership No. 109600
UDIN : 24109600BKACFZ6347

Place : Gandhinagar
Date : May 21, 2024

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2024

(` in lakhs)

Particulars	Note	As at 31st March 2024	As at 31st March 2023
A. ASSETS			
1. Non-current assets			
(a) Property, Plant and Equipments	5	2,50,582.25	2,53,626.40
(b) Capital work-in-progress	5	23,583.25	19,959.93
(c) Right of Use Assets	5	4,018.50	4,151.71
(d) Other Intangible assets	6	257.21	175.04
(e) Financial Assets			
(i) Investments			
- Investments in Associates	7	12,907.27	12,079.72
- Investments - Others	7	5,88,628.71	5,20,869.74
(ii) Others financial assets	8	8,553.71	3,017.89
(f) Income tax assets (Net)	23	6,130.41	6,198.22
(g) Other non current assets	9	40,295.71	33,530.07
		9,34,957.02	**8,53,608.72**
2. Current assets			
(a) Inventories	10	1,30,475.64	1,32,371.25
(b) Financial Assets			
(i) Trade receivable	11	51,008.48	49,741.34
(ii) Government subsidies receivable	12	1,07,558.99	1,66,073.77
(iii) Cash and cash equivalents	13	53,229.27	1,09,789.75
(iv) Bank balances other than (iii) above	14	1,77,067.25	34,186.78
(v) Loans	15	25,886.96	24,793.53
(vi) Others financial assets	16	8,188.03	1,318.24
(c) Other current assets	17	16,697.56	19,041.18
		5,70,112.18	**5,37,315.84**
TOTAL ASSETS		**15,05,069.20**	**13,90,924.56**
B. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	19	7,969.55	7,969.55
(b) Other Equity	20	12,64,729.16	11,96,017.24
(c) Non Controlling Interest		131.27	157.34
		12,72,829.98	**12,04,144.13**

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2024

(` in lakhs)

Particulars	Note	As at 31st March 2024	As at 31st March 2023
LIABILITIES			
1. Non-current liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities - Non Current	24	152.12	148.23
(b) Provisions	21	56,917.77	31,158.19
(c) Deferred Subsidy Income		160.13	71.36
(d) Deferred tax liabilities (Net)	23	44,654.20	47,319.34
		1,01,884.22	**78,697.12**
2. Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	250.45	-
(ii) Lease Liabilities - Current	24	108.30	90.62
(iii) Trade payables	25		
- Total outstanding dues of micro enterprise and small enterprise		3,598.53	3,144.50
- Total outstanding dues of creditors other than micro enterprise and small enterprise		76,253.83	60,759.91
(iv) Other financial Liabilities	26	29,682.89	25,155.68
(b) Other current liabilities	27	5,311.28	7,008.46
(c) Provisions	28	14,348.96	9,636.72
(d) Current tax liabilities (Net)	23	800.76	2,287.42
		1,30,355.00	**1,08,083.31**
TOTAL EQUITY & LIABILITIES		**15,05,069.20**	**13,90,924.56**
See accompanying notes forming part of the financial statements	1 to 50		

In terms of our report attached.

For **Parikh Mehta & Associates**
Chartered Accountants
Firm Registration No.: 112832W

Tejal Parikh
Partner
Membership No.: 109600

Kamal Dayani
Managing Director
(DIN-05351774)

Tapan Ray
Director
(DIN-00728682)

V. D. Nanavaty
ED (Finance) & CFO

Nidhi Pillai
Company Secretary

Gandhinagar
21st May, 2024

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2024

(` in lakhs)

Particulars		Note	Year Ended 31st March	
			2024	2023
I	**Income**			
	Revenue from operations	29	9,15,464.41	11,36,869.41
	Other income	30	37,689.27	14,884.89
	Total income		**9,53,153.68**	**11,51,754.30**
II	**Expenses**			
	Cost of materials consumed	31	4,76,121.45	5,85,147.86
	Purchase of stock in trade		86,586.61	1,14,137.48
	Changes in inventories of finished goods, work in process and stock in trade	32	18,831.11	(4,990.40)
	Power and Fuel		1,09,465.84	1,24,981.51
	Employee benefits expense	33	84,982.53	66,807.96
	Finance costs	34	1,119.51	1,502.63
	Depreciation and amortization expense		18,347.75	18,201.50
	Other expenses	35	88,160.37	91,997.63
	Total Expenses		**8,83,615.18**	**9,97,786.17**
III	**Profit before share of profit/(loss) of Associates**		**69,538.50**	**1,53,968.13**
IV	**Share of profit of Associates**		841.36	300.12
V	**Profit before tax**		**70,379.87**	**1,54,268.25**
VI	**Tax expense**			
	Current tax		15,167.33	41,264.70
	Deferred tax	23	(236.78)	(11,567.93)
	Tax related to earlier years	23	(929.14)	(2,020.29)
VII	**Profit for the year**		**56,378.46**	**1,26,591.77**
VIII	**Other Comprehensive Income**			
	(A) Items that will be reclassified to profit or loss		-	-
	(B) Items that will not be reclassified to profit or loss			
	Re-measurement gains/ (losses) on defined benefit plans		(30,113.69)	3,615.60
	Income tax effect on above		7,578.69	(1,918.77)
	Net fair value (loss) / gain on investments in equity instruments at FVTOCI		79,840.50	(1,00,728.72)
	- Income tax effect on above		(5,150.34)	9,169.31
	Net other comprehensive income that will not be reclassified to profit or loss		**52,155.16**	**(89,862.58)**
IX	**Total Comprehensive Income for the year (VII+VIII)**		**1,08,533.61**	**36,729.19**
	Net Profit attributable to :			
	(a) Owners of the company		56,404.51	1,26,588.66
	(b) Non Controlling Interest		(26.05)	3.12
	Other Comprehensive Income attributable to :			
	(a) Owners of the company		52,155.16	(89,862.58)
	(b) Non Controlling Interest		-	-
	Total Comprehensive Income attributable to :			
	(a) Owners of the company		1,08,559.67	36,726.08
	(b) Non Controlling Interest		(26.05)	3.12
Earnings per equity share (face value of ` 2/- each)				
Basic and Diluted Earnings per equity share:		36	**14.16**	**31.77**
See accompanying notes forming part of the financial statements		1 to 50		

In terms of our report attached.

For **Parikh Mehta & Associates**
Chartered Accountants
Firm Registration No.: 112832W

Tejal Parikh
Partner
Membership No.: 109600

Kamal Dayani
Managing Director
(DIN-05351774)

Tapan Ray
Director
(DIN-00728682)

V. D. Nanavaty
ED (Finance) & CFO

Nidhi Pillai
Company Secretary

Gandhinagar
21st May, 2024

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2024

(` in lakhs)

Particulars	Year Ended 31st March	
	2024	2023
A Cash Flow From Operating Activities :		
Profit Before Tax	70,379.87	1,54,268.25
Adjustments for :		
Depreciation and amortisation expense	18,347.75	18,201.50
Amortisation of lease hold land	297.53	297.53
Share of Profit of Associates	(841.36)	(300.12)
Unrealised Foreign Exchange(Gain)/Loss	(141.53)	(329.83)
Provision for Assets Retiring Obligation	213.35	196.74
Finance cost	654.74	1,005.20
Interest income	(14,223.39)	(5,723.93)
Loss/ (Profit) on fixed assets sold/written off	32.87	(128.49)
Dividend income	(14,653.60)	(5,114.54)
Excess Provision written Back	(4,911.38)	-
Deferred Subsidy Income	(11.22)	(11.22)
Provision for doubtful debts/advances	125.44	157.63
Operating Profit before Working Capital Changes	55,269.07	1,62,518.71
Movements in working capital:		
Inventories	1,895.61	6,782.58
Trade receivables, loans and advances and other assets	(85,946.25)	(12,413.01)
Trade payables, other current liabilities and provision	17,628.55	(17,689.62)
Cash Generated from Operations	(11,153.03)	1,39,198.66
Direct taxes paid (net of refunds)	(15,654.54)	(46,809.32)
Net Cash Flow from Operating Activities	(26,807.56)	92,389.34
B Cash Flow From Investing Activities :		
Purchase of property, plant & equipments (including CWIP & capital advances)	(24,020.21)	(14,202.63)
Purchase of non current investments	-	(1,978.56)
Sale of investments	12,267.32	-
Investment in FD	25.00	33.50
Interest received	7,620.31	7,021.51
Dividend received	14,666.10	5,189.54
Net Cash Flow used in Investing Activities	10,558.51	(3,936.64)
C Cash Flow From Financing Activities		
Net increase/(decrease) in short term borrowings	250.45	(282.27)
Interest paid	(622.01)	(968.71)
Dividend paid	(39,765.40)	(9,991.06)
Lease Liability Payment	(141.73)	(133.04)
Lease Interest Paid	(32.73)	(36.49)
Net Cash Flow from/ (used in) Financing Activities	(40,311.42)	(11,411.58)
Net Increase/ (Decrease) in Cash & Cash Equivalents	(56,560.47)	77,041.13
Cash and Cash Equivalents as at the beginning of the year	1,09,789.75	32,748.62
Cash and Cash Equivalents as at end of the year (Refer Note-13)	53,229.27	1,09,789.75
Notes:		
Components of Cash and cash equivalents		
Cash on hand	73.99	70.73
Balances with banks		
In current accounts	3,104.25	2,965.29
Debit balance in Cash Credit Account	5,595.69	3,087.41
Deposit with original maturity of less than three months	44,455.34	1,03,666.32
Liquid Deposits with Financial Institutions	-	-
Total Cash and cash equivalents	53,229.27	1,09,789.75

The Cash flow statement has been prepared under the indirect method as set out in the Indian Accounting Standard 7 on Cash Flows Statement.

See accompanying notes forming part of the financial statements

In terms of our report attached.

For **Parikh Mehta & Associates**
Chartered Accountants
Firm Registration No.: 112832W

Tejal Parikh
Partner
Membership No.: 109600

Kamal Dayani
Managing Director
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V. D. Nanavaty
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Nidhi Pillai
Company Secretary

Gandhinagar
21st May, 2024

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (SOCIE)

Note (a) : Equity share capital **(` in lakhs)**

Particulars	Amount
Balance as at April 01, 2022	7,969.55
Changes in equity share capital due to prior period errors	-
Restated balance as at April 01,2022	7,969.55
Changes in equity share capital during the year	-
Balance as at March 31, 2023	7,969.55
Balance as at April 01, 2023	7,969.55
Changes in equity share capital due to prior period errors	-
Restated balance as at April 01,2023	7,969.55
Changes in equity share capital during the year	-
Balance as at March 31, 2024	7,969.55

Note (b) : Other equity **(` in lakhs)**

Particulars	Reserves & Surplus					Items of OCI	
	Capital reserve	Security premium	Capital redemption reserve	General reserve	Retained earnings	Equity Instruments through OCI	Total Equity
Balance as at April 01, 2022	**2,456.71**	**30,524.02**	**3,335.00**	**5,56,153.31**	**77,537.49**	**4,99,246.81**	**11,69,253.34**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated Balance as at 1st April, 2022	2,456.71	30,524.02	3,335.00	5,56,153.31	77,537.49	4,99,246.81	11,69,253.34
Profit for the year	-	-	-	-	1,26,588.66	-	1,26,588.66
Other comprehensive income for the year net of income tax	-	-	-	-	-	(91,559.41)	(91,559.41)
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	-	1,696.83	-	1,696.83
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**1,28,285.49**	**(91,559.41)**	**36,726.08**
Dividends paid [Note 20]	-	-	-	-	(9,962.18)	-	(9,962.18)
Transfer to General reserve	-	-	-	49,000.00	(49,000.00)	-	-
Balance as at March 31, 2023	**2,456.71**	**30,524.02**	**3,335.00**	**6,05,153.31**	**1,46,860.80**	**4,07,687.40**	**11,96,017.24**
Balance as at April 01, 2023	**2,456.71**	**30,524.02**	**3,335.00**	**6,05,153.31**	**1,46,860.80**	**4,07,687.40**	**11,96,017.24**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated Balance as at 1st April, 2023	2,456.71	30,524.02	3,335.00	6,05,153.31	1,46,860.80	4,07,687.40	11,96,017.24
Profit for the year	-	-	-	-	56,404.51	-	56,404.51
Other comprehensive income for the year net of income tax	-	-	-	-	-	74,690.16	74,690.16
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	-	(22,535.00)	-	(22,535.00)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**33,869.51**	**74,690.16**	**1,08,559.67**
Dividends paid [Note 20]	-	-	-	-	(39,847.75)	-	(39,847.75)
Transfer to General reserve	-	-	-	20,000.00	(20,000.00)	-	-
Balance as at March 31, 2024	**2,456.71**	**30,524.02**	**3,335.00**	**6,25,153.31**	**1,20,882.56**	**4,82,377.56**	**12,64,729.16**

See accompanying notes forming part of the financial statements 1 to 50

In terms of our report attached.

For **Parikh Mehta & Associates**
Chartered Accountants
Firm Registration No.: 112832W

Tejal Parikh
Partner
Membership No.: 109600

Kamal Dayani
Managing Director
(DIN-05351774)

Tapan Ray
Director
(DIN-00728682)

V. D. Nanavaty
ED (Finance) & CFO

Nidhi Pillai
Company Secretary

Gandhinagar
21st May, 2024

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

1. Corporate Information

Gujarat State Fertilizers and Chemicals Limited "the Company" is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company is principally engaged in production of fertilizers and chemicals. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at Fertilizernagar - 391 750, Dist. Vadodara.

These consolidated financial statements were authorised for issuance by the Board of Directors of the Company in their meeting held on May 21, 2024.

2. Basis of preparation of Consolidated Financial Statements

2.1 Basis of preparation and compliance with Ind AS

The consolidated financial statements are prepared in accordance with the principles and procedures laid down under the Accounting Standard notified under Section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

2.2 Principles of Consolidation

The consolidated financial statements comprise the financial statements of the Company, its subsidiaries and equity accounting of its investment in associates.

Consolidation financial statements are prepared using uniform accounting policies for like transactions and other event in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all the entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company. When the end of the reporting period of the parent is different from that of a subsidiary, jointly controlled entity or associate, the respective entity prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the said entity, unless it is impracticable to do so.

The consolidated financial statements have been prepared on the following basis.

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its power and involvement with the investee and has the ability to affect those returns through its power over the investee.

Subsidiaries are considered for consolidation when the Group obtains control over the subsidiary and are derecognized when the Group loses control of the subsidiary. Subsidiaries have been consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains resulting on intra-group transactions are eliminated in full. Unrealized losses resulting from intra-group transactions are eliminated in arriving at the carrying amount of assets unless transaction provides an evidence of impairment of transferred asset.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the Statement of Profit and Loss and Consolidated Balance Sheet, separately from parent shareholders' equity. Profit and loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Groups interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries.

Associates - Equity Accounting

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, an investment in an associate is initially recognized at cost and adjusted thereafter to recognize the Group's share of post-acquisition profits or losses and that of other comprehensive income of the associate. Distributions received from an associate reduce the carrying amount of the investment. Unrealized gains and losses resulting from transactions between the Group, Associate entities are eliminated to the extent of the interest in the Associate entities.

After application of the equity method, at each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there exists such evidence, the Group determines extent of impairment and then recognizes the loss in the Statement of Profit and Loss.

Upon loss of significant influence over the associate, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate and the fair value of the retained investment and proceeds from disposal is recognized in profit and loss.

The list of companies included in consolidation, relationships with the company and shareholding therein is provided in Note No. 49.

2.3 Basis of measurement

The consolidated financial statements have been prepared on a going concern basis, using historical cost convention and on an accrual method of accounting, except for the following assets and liabilities which have been measured at fair value, as required by relevant Ind AS.

1. Derivative financial instruments
2. Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
3. Defined benefit plans

2.4 Functional and presentation currency

The consolidated financial statements are prepared in Indian Rupees, which is the Group's functional and presentation currency. All financial information presented in Indian Rupees has been rounded to the nearest lakhs with two decimals.

2.5 Current and non-current classification

The Group presents assets and liabilities in the Balance Sheet based on current / non-current classification.

An asset is classified as current if it satisfies any of the following criteria:

a) It is expected to be realised or intended to sold or consumed in the Group's normal operating cycle,

b) It is held primarily for the purpose of trading,

c) It is expected to be realised within twelve months after the reporting period, or

d) It is a cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if it satisfies any of the following criteria:

a) it is expected to be settled in the Group's normal operating cycle,

b) it is held primarily for the purpose of trading,

c) it is due to be settled within twelve months after the reporting period

d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current. Current liabilities include current portion of non-current financial liabilities.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3 Material Accounting Policies

3.1 Revenue recognition

The Group derives revenues primarily from manufacturing of Fertilizers and Chemical Products.

Revenue from Operations is recognised in the Statement of Profit and Loss when:

- The income generating activities have been carried out on the basis of a binding agreement.
- The income can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Group.
- Costs relating to the transaction can be measured reliably.

Revenue for all businesses is recognized upon transfer of control of promised goods or services to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for the goods and services.

Revenue towards satisfaction of a performance obligation is measured at the amount of the transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of fertilizer products sold is net of variable consideration on account of various discounts, incentives, rebates and GST collected on behalf of Government. Revenue is also recognised on sale of goods in case where the delivery is kept pending at the instance of the customer, as the performance obligation has been satisfied and control are transferred and customer takes title and accepts billing as per usual payment terms.

Sales of industrial products are accounted on the dispatch basis except export sales, which are recognised on the basis of bill of lading on satisfaction of performance and transfer of control.

The amounts receivable from various agencies are accounted for on accrual basis except interest on delayed payments, refunds from customs & excise authorities, insurance claims (other than marine claims), etc. where it is not possible to ascertain the income with reasonable accuracy or in absence of finality of the transaction.

Revenues in excess of invoicing are classified as contract assets (referred as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

Subsidy income

Urea subsidy income is recognised on the basis of the rates notified from time to time by the Government of India on the quantity of fertilisers sold by the Group for the period for which notification has been issued, further adjusted for input price escalation/de-escalation estimated by management, based on prescribed norms as notified by Govt. of India.

Subsidy on Phosphatic and Potassic (P&K) fertilizers is recognized as per concession rates notified by the Government of India in accordance with Nutrient Based Subsidy Policy from time to time and Freight subsidy has been accounted for in line with the policy of the Government of India.

Subsidy on City Compost is recognized based on rates, as notified by the Government of India.

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Interest income is included in other income in the statement of profit and loss.

Dividends

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

Insurance Claims

Claims receivable on account of insurance are accounted for to the extent no significant uncertainty exist for the measurement and realisation of the amount.

Rental Income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

3.2 Taxes

Tax expense comprises of current income tax & deferred tax

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the rates and tax laws enacted or substantively enacted, at the reporting date in India where the entity operates and generates taxable income.

Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

3.3 Non-current assets held for sale

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. The Group treats sale of the asset to be highly probable when:

- ➢ The appropriate level of management is committed to a plan to sell the asset,
- ➢ An active programme to locate a buyer and complete the plan has been initiated,
- ➢ The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- ➢ Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

3.4 Property, plant and equipment and intangible assets

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non- refundable taxes and levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost.

Otherwise, such items are classified as inventories. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred

Assets under erection / installation of the existing projects and schemes and on-going projects and schemes are shown as "Capital Work in Progress".

Capital advances given for procurement of Property, plant and equipment are treated as other non-current assets.

In the absence of availability of specific original cost in respect of a part of assets capitalised under turn-key contracts, the original value of such asset written / disposed off is estimated on the basis of its current cost adjusted for price and technological factors.

Major cost of civil works required as plant and machinery supports, on the basis of technical estimates, is considered as Plant & Machinery.

Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Cost of intangible assets comprises of purchase price and attributable expenditure on making the asset ready for its intended use. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Research and Development

Capital expenditure on Research & Development activities is included in Property, plant and equipment to the extent it has alternative economic use. Revenue expenditure pertaining to research activity is charged under respective account heads in the statement of Profit & Loss.

Depreciation methods, estimated useful lives and residual value

Depreciation on Property, plant and equipment is provided on Straight Line Method at the rates prescribed in Schedule II to the Company's Act, 2013 or based on technical assessment by the company taking into account the nature of asset, usage of asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes and past history of replacement.. Depreciation on additions to Property, plant and equipment and assets disposed off / discarded is charged on pro-rata basis. Depreciation on commissioning of plants and other assets of new projects is charged for the days they are actually put to use.

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Leasehold land, other than that on perpetual lease, is amortized over the life of the lease.

Intangible assets are amortized over their estimated economic lives but not exceeding ten years on a straight-line basis.

The useful lives of the property, plant and equipment are as follows:

Assets	Estimated Useful life
Freehold Land	—
Leasehold Land	20 years
Buildings	30-60 years
Bridge, culverts, bunders, etc.	30 years
Roads	5-10 years
Plant and machinery	15-25 years
Furniture and fittings	10 years
Motor Vehicles	5-10 years
Railway sidings	15 years
Office equipment	5 years
Computers and Data Processing units	3-6 years
Laboratory equipment	10 years
Electrical Installation and Equipment	10 years
Library books	15 years

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.5 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is determined:

(i) In case of individual asset, at higher of the fair value less cost to sell and value in use; and

(ii) In case of cash-generating unit (a Group of assets that generates identified, independent cash flows), at the higher of the cash-generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses including impairment on inventories are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

3.6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

3.7 Leases

The Group's lease asset primarily consists of leases for immovable properties. The Group 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 Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

Group as a lessee

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") 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 low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense.

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 and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. The higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

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 rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and finance cost portion of lease payments have been classified as financing cash flows.

Group as a lessor

At the inception of the lease, the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income over the lease term on a straight-line basis.

3.8 Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any.

However, Raw material and work-in-progress held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Raw materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined Weighted Average Cost basis.

Finished goods and work-in-progress: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost is determined on Weighted Average Cost basis.

Traded goods: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on Weighted Average Cost basis.

All other inventories of stores and consumables are valued at Weighted Average Cost basis.

Stores and Spares include equipment spare parts, and others which are held as inventory by the Company.

Net realisable value represents the estimated selling price (including subsidy income, where applicable) of inventories less all estimated costs of completion & costs necessary to make the sale.

3.9 Employee benefits

Defined benefit plans:

(i) Short-term employee benefits

Short term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

(ii) Post-Employment benefits

(a) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Parent has set up separate recognized Provident Fund trusts for all the units of the Group.

Contributions paid / payable for Provident Fund of eligible employees and National Pension Scheme is recognized in the statement of Profit and Loss each year. The Parent has an obligation to make good the shortfall, if any, between the return from the investments of the trusts and the interest rate notified by Government.

Liability on account of such shortfall, if any, is provided for based on the actuarial valuation carried out as at the end of the year.

(b) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Parent's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

Post-employment defined benefits plans comprise of gratuity, superannuation and Post-Retirement Medical Benefit for eligible employees of the Group. Post-employment benefits are recognized as an expense in the statement of profit and loss for the year in which the employee has rendered services. The Group also contributes to a government administered Family Pension fund on behalf of its employees. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. Re-measurement in OCI is reflected immediately in retained earnings and is not reclassified to profit & loss.

(iii) Other long-term employee benefits

Other long-term employee benefits comprise of leave encashment for eligible employees of Group. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise.

3.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial instruments are recognised when the Group becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset.

(A) Financial Assets

The Group determines the classification of its financial assets at initial recognition. The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

The financial assets are classified in the following measurement categories:

a) Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

b) Those to be measured at amortised cost.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss as incurred. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments.

(i) Amortised Cost

The Group classifies its financial assets as at amortised cost only if both of the following criteria are met:

a) The asset is held within a business model with the objective of collecting the contractual cash flows, and

b) The contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

Financial assets at amortised cost include loans receivable, trade and other receivables, and other financial assets that are held with the objective of collecting contractual cash flows. After initial measurement at fair value, the financial assets are measured at amortised cost using the effective interest rate (EIR) method, less impairment other than trade receivables which are measured at transaction price as per Ind As 115.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the Statement of Profit or Loss in other income.

(ii) Fair value through other comprehensive income

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

(iii) Financial assets at fair value through profit or loss

The Group classifies the following financial assets at fair value through profit or loss:

a) Debt investments that do not qualify for measurement at amortised cost;

b) Debt investments that do not qualify for measurement at fair value through other comprehensive income; and

c) Debt investments that have been designated at fair value through profit or loss.

Financial assets at fair value through profit or loss include financial assets held for trading, debt securities and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets at fair value through profit or loss are carried in the Balance Sheet at fair value with net changes in fair value presented as finance costs in profit or loss if the same is considered as an adjustment to borrowing cost. Interests, dividends and gain/loss on foreign exchange on financial assets at fair value through profit or loss are included separately in other income.

If Group elects to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments shall continue to be recognised in profit or loss as other income when the Group's' right to receive payments is established. There are no impairment requirements for equity investments measured at fair value through other comprehensive income. Changes in the fair value of financial assets at fair value through profit or loss shall be recognised in other gain / (losses) in the statement of profit or loss as applicable.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the assets expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of the transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Impairment of Financial Assets

The Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

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

b) Trade receivables or any contractual right to receive cash or other financial asset that result from transactions that are within the scope of Ind AS 18.

An expected credit loss is the probability-weighted estimate of credit losses (i.e. present value of all cash shortfalls) over the expected life of the financial asset. A cash shortfall is the difference between the cash flows that are due in accordance with the contract and the cash flows that the group expects to receive. The expected credit losses consider the amount and timing of payments and hence, a credit loss arises even if the Group expects to receive the payment in full but later than when contractually due. The expected credit loss method requires to assess credit risk, default and timing of collection since initial recognition. This requires recognising allowance for expected credit losses in profit or loss even for receivables that are newly originated or acquired.

Impairment of financial assets is measured as either 12 month expected credit losses or life time expected credit losses, depending on whether there has been a significant increase in credit risk since initial recognition. '12 month expected credit losses' represent the expected credit losses resulting from default events that are possible within 12 months after the reporting date. 'Lifetime expected credit losses' represent the expected credit losses that result from all possible default events over the expected life of the financial asset.

Trade receivables are of a short duration, normally less than 12 months and hence the loss allowance measured as lifetime expected credit losses does not differ from that measured as 12 month expected credit losses. The Group uses the practical expedient in Ind AS 109 for measuring expected credit losses for trade receivables using a provision matrix based on ageing of receivables.

The Group uses historical loss experience and derived loss rates based on the past twelve months and adjust the historical loss rates to reflect the information about current conditions and reasonable and supportable forecasts of future economic conditions. The loss rates differ based on the ageing of the amounts that are past due and are generally higher for those with the higher ageing.

(B) Financial Liabilities

The Group determines the classification of its financial liabilities at initial recognition.

Classification

The Group classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss. Loans and borrowings, payables are subsequently measured at amortised cost whereas derivatives are measured at fair value through profit and loss.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss include financial liabilities to hedge risks which are not designated as hedges. At initial recognition, the Group measures financial liabilities at its fair value. Financial liabilities at fair value through profit and loss are carried in the Balance Sheet at fair value with changes recognised in the Statement of Profit and Loss.

Financial liabilities measured at amortised cost

Financial liabilities are initially recognised at fair value, net of transaction cost incurred and are subsequently measured at amortised cost, using the EIR method. Any difference between the proceeds net of transaction costs and the amount due on settlement or redemption of borrowings is recognised over the term of the borrowing.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest charge over the relevant effective interest rate period. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another 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 a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(C) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Consolidated Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counter party.

(D) Derivative financial instruments

The Group's activities expose it to the financial risks of changes in foreign exchange rates and interest rates. The use of financial derivatives is governed by the Group's policies approved by the Board of Directors, which provide written principles on the use of financial derivatives consistent with the Group's risk management strategy. Changes in values of all derivatives of a financing nature are included within financing costs if the same is considered as adjustment to borrowing cost in the Statement of Profit and Loss whereas other foreign exchange fluctuation is disclosed under other expenses. The Group does not use derivative financial instruments for speculative purposes.

Derivative financial instruments are initially measured at fair value on the contract date and are subsequently remeasured to fair value at each reporting date.

(E) Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. For equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

3.11 Foreign currencies

(a) Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees, which is the Group's functional and presentation currency. Each entity in the Group determines its own functional currency (the currency of the primary economic environment in which the entity operates) and items included in the financial statements of each entity are measured using that functional currency.

(b) Transactions and balances

Transactions in foreign currencies are initially recorded at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at reporting date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and Loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Profit and Loss within

'Finance costs'. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss within 'Other operating expenses'.

3.12 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

3.13 Segment accounting:

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The Operating segments have been identified on the basis of the nature of products/services.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter Segment revenue is accounted on the basis of transactions which are primarily determined based on market/fair value factors. Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocated to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

The Group has identified two reportable business segments i.e. Fertilizer products and Industrial products. The Group operates mainly in Indian market and there are no reportable geographical segments.

3.14 Provisions, Contingent liabilities, Contingent assets and Commitments: General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;

A present obligation arising from the past events, when no reliable estimate is possible;

A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

3.15 Earnings per share

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders (Net of Non-Controlling Interest) by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Group's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

3.16 Cash flow statement

Cash flow are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals of accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and finance activities of the Group are segregated.

3.17 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The Group 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, which gives highest priority to quoted prices in active markets and the lowest priority to unobservable inputs.

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for inputs other than quoted prices included within Level 1 that are observable for the asset or Liability either directly or indirectly.
- Level 3 - Valuation techniques for inputs that are unobservable for the asset or liability.

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

4 Critical and significant accounting judgements, estimates and assumptions

4.1 Critical estimates and judgements

The following are the critical judgements, apart from those involving estimations that the management have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognized in the financial statements. Actual results may differ from these estimates. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Useful lives of property, plant and equipment and intangible assets:

Management reviews the useful lives of depreciable assets at each reporting. As at March 31, 2023 management assessed that the useful lives represent the expected utility of the assets to the Group. Further, there is no significant change in the useful lives as compared to previous year.

Allowance for expected credit losses:

Note 41 describes the use of practical expedient by computing the expected credit loss allowance for trade receivables other than subsidy receivables based on provision matrix. The expected credit allowance is based on the aging of the days receivables are due and the rates derived based on past history of defaults in the provision matrix. As regards subsidy receivables, the Group does not believe that there is any credit risk as dues are receivable from the Government and hence no allowance for expected credit loss is made.

Dismantling cost of property, plant and equipment:

The financials disclose assets retirement obligation on estimate basis for property, plant and equipment. The management estimates dismantling cost considering size of the asset and its useful life in line with industry practices.

Stores and spares inventories:

The Group's manufacturing process is continuous and highly mechanical with wide range of different types of plant and machineries. The Group keeps stores and spares as standby to continue the operations without any disruption. Considering wide range of stores and spares and long lead time for procurement of it and based on criticality of spares, the Group believes that net realizable value would be more than cost.

Fair value of investments:

The Group has invested in the equity instruments of various companies. However, the percentage of shareholding of the Group in some of such investee companies is low and hence, it has not been provided with future projections including projected profit and loss account by those investee companies. Hence, the valuation exercise carried out by the Group with the help of an independent valuer has estimated the fair value at each reporting period based on available historical annual reports and other information in the public domain. In case of other companies, where there are no comparable companies' valuations available (also includes start-up companies) and no further information available for future projections, capacity utilisation, commencement of operations, etc., the method of valuation followed is cost approach. The Group evaluates the aforesaid position at each period end.

Income taxes:

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

4.2. Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the standalone financial statements:

Determination of lease term & discount rate:

Ind AS 116 leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factor such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Group's operations taking into account the location of the underlying asset and availability of the suitable alternatives. The lease term in future period is reassessed to ensure that the lease term reflects the current economic circumstances.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The group based on its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow model. The cash flows are derived from the budget for the next five years and do not include activities that the group is not yet committed to or significant future investments that will enhance the asset's performance of the Cash Generating Unit being tested. The recoverable amount is sensitive to the discount rate used for the Discounted Cash Flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Defined benefit plans

The cost of the defined benefit plans viz. gratuity, superannuation for the eligible employees of the group 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 operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rate.

Further details about gratuity obligations are given in Note 37.

Provision and contingent liability

On an ongoing basis, Group reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

Recent Accounting Pronouncements

A. The Company has adopted the new and revised standards and interpretations as notified by MCA effective from 1 April 2023 through Companies (Indian Accounting Standards) Amendment Rules 2023. Their adoption has not had any significant impact on the amounts reported in the financial statements.

B. The Ministry of Corporate Affairs has not made any amendments to Companies (Indian Accounting Standards) Rules 2015, during the reporting period which are effective from 1 April 2024.

5. (i) Property, Plant and Equipment

(` in lakhs)

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01-Apr-23	Additions	Deductions/ Adjustments	As at 31-Mar-24	As at 01-Apr-23	Charge for the year	Deductions/ Adjustments	As at 31-Mar-24	Balance As at 31-Mar-24	Balance As at 31-Mar-23
Freehold land	3,640.62	410.41	-	4,051.03	-	-	-	-	4,051.03	3,640.62
Buildings	22,705.39	746.71	-	23,452.10	5,012.90	744.87	-	5,757.77	17,694.33	17,692.49
Bridge, culverts,bunders,etc.	0.18	-	-	0.18	0.15	0.01	-	0.16	0.02	0.03
Roads	441.55	87.18	-	528.73	178.39	37.18	-	215.57	313.16	263.16
Plant and machinery	3,04,957.74	12,633.34	1,827.71	3,15,763.37	86,286.42	15,021.10	1,734.89	99,572.63	2,16,190.74	2,18,671.32
Furniture and fittings	1,334.45	122.28	3.35	1,453.38	524.58	139.41	3.16	660.83	792.55	809.87
Motor Vehicles	293.99	36.21	94.22	235.98	134.33	35.46	87.40	82.39	153.59	159.66
Railway sidings	2,208.14	-	-	2,208.14	924.42	121.60	-	1,046.02	1,162.12	1,283.72
Office equipment	1,541.33	108.47	35.11	1,614.69	872.74	150.94	33.35	990.33	624.36	668.59
Computers and Data Processing units	1,413.80	29.18	12.83	1,430.15	600.85	214.70	11.94	803.61	626.54	812.95
Laboratory equipment	1,721.42	114.74	38.25	1,797.91	791.88	152.08	34.05	909.91	888.00	929.54
Electrical Installation and Equipment	14,900.59	800.41	-	15,701.00	6,210.42	1,408.51	-	7,618.93	8,082.07	8,690.17
Library books	16.96	-	-	16.96	12.68	0.55	-	13.23	3.73	4.28
TOTAL	**3,55,176.16**	**15,088.93**	**2,011.47**	**3,68,253.62**	**1,01,549.76**	**18,026.41**	**1,904.79**	**1,17,671.38**	**2,50,582.25**	**2,53,626.40**

Capital Work In Progress (CWIP) Movement Schedule

Particulars	31-Mar-24	31-Mar-23
Opening Balance	19,959.93	15,787.86
Add. : Additions During the Year	16,583.12	11,649.28
Less : Capitalisation During the Year	12,959.80	7,477.21
Closing Balance	23,583.25	19,959.93

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01-Apr-22	Additions	Deductions/ Adjustments	As at 31-Mar-23	As at 01-Apr-22	Charge for the year	Deductions/ Adjustments	As at 31-Mar-23	Balance As at 31-Mar-23	Balance As at 31-Mar-22
Freehold land	3,616.59	24.03	-	3,640.62	-	-	-	-	3,640.62	3,616.59
Buildings	21,364.74	1,343.91	3.26	22,705.39	4,278.92	734.34	0.36	5,012.90	17,692.49	17,085.82
Bridge, culverts,bunders,etc.	0.18	-	-	0.18	0.13	0.02	-	0.15	0.03	0.05
Roads	441.55	-	-	441.55	143.58	34.81	-	178.39	263.16	297.97
Plant and machinery	3,02,888.46	2,394.69	325.41	3,04,957.74	71,618.91	14975.30	307.79	86,286.42	2,18,671.32	2,31,269.55
Furniture and fittings	1,277.41	60.73	3.69	1,334.45	389.87	138.21	3.50	524.58	809.87	887.54
Motor Vehicles	327.09	43.88	76.98	293.99	172.16	32.82	70.65	134.33	159.66	154.93
Railway sidings	2,208.14	-	-	2,208.14	802.82	121.60	-	924.42	1,283.72	1,405.32
Office equipment	1,357.02	251.86	67.55	1,541.33	774.28	162.58	64.12	872.74	668.59	582.74
Computers and Data Processing units	896.24	569.06	51.50	1,413.80	454.17	195.61	48.93	600.85	812.95	442.07
Laboratory equipment	1,679.60	88.95	47.13	1,721.42	664.52	166.03	38.67	791.88	929.54	1,015.08
Electrical Installation and Equipment	13,379.01	1,530.55	8.97	14,900.59	4,829.69	1389.25	8.52	6,210.42	8,690.17	8,549.32
Library books	16.96	-	-	16.96	11.82	0.90	0.04	12.68	4.28	5.14
TOTAL	**3,49,452.99**	**6,307.66**	**584.49**	**3,55,176.16**	**84,140.87**	**17,951.47**	**542.58**	**1,01,549.76**	**2,53,626.40**	**2,65,312.12**

5. (ii) Right of Use Assets

(` in lakhs)

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01-Apr-23	Additions	Deductions/ Adjustments	As at 31-Mar-24	As at 01-Apr-23	Charge for the year	Deductions/ Adjustments	As at 31-Mar-24	Balance As at 31-Mar-24	Balance As at 31-Mar-23
Leasehold Building	428.80	142.35	100.89	470.26	171.46	130.02	92.64	208.84	261.42	257.34
Leasehold land	4,317.96	-	-	4,317.96	423.59	137.29	-	560.88	3,757.08	3,894.37
TOTAL	**4,746.76**	**142.35**	**100.89**	**4,788.22**	**595.05**	**267.31**	**92.64**	**769.72**	**4,018.50**	**4,151.71**

(` in lakhs)

PARTICULARS	GROSS BLOCK As at 01-Apr-22	Additions	Deductions/ Adjustments	As at 31-Mar-23	ACCUMULATED DEPRECIATION As at 01-Apr-22	Charge for the year	Deductions/ Adjustments	As at 31-Mar-23	NET BLOCK Balance As at 31-Mar-23	Balance As at 31-Mar-22
Leasehold Building	546.08	100.64	217.92	428.80	279.27	92.81	200.62	171.46	257.34	266.81
Leasehold land	2,597.99	1,719.97	-	4,317.96	299.33	124.26	-	423.59	3,894.37	2,298.66
TOTAL	**3,144.07**	**1,820.61**	**217.92**	**4,746.76**	**578.60**	**217.07**	**200.62**	**595.05**	**4,151.71**	**2,565.47**

5. (iii) Capital Work In Progress Ageing Schedule

(` in lakhs)

PARTICULARS	AMOUNT AS ON 31.03.2024 IN CWIP FOR THE PERIOD OF					AMOUNT AS ON 31.03.2023 IN CWIP FOR THE PERIOD OF				
	Less than 1 year	1-2 Years	2-3 Years	More Than 3 Years	Total	Less than 1 year	1-2 Years	2-3 Years	More Than 3 Years	Total
Projects in Progress	12,632.27	1,763.52	2,665.42	2,809.27	19,870.49	9,714.19	2,902.92	915.82	2,714.24	16,247.16
Projects temporarily suspended *	-	-	-	3,712.76	3,712.76	-	-	-	3,712.76	3,712.76
TOTAL	**12,632.27**	**1,763.52**	**2,665.42**	**6,522.03**	**23,583.25**	**9,714.19**	**2,902.92**	**915.82**	**6,427.00**	**19,959.93**

*Projects temporarily suspended mainly consist of “DAP - ‘D’ Train Project, which is temporarily suspended as the contractor was unable to get the project executed in line with the contract terms. Pending outcome of the legal suit filed by the group, adjustment of Balance sheet items against the project cost is pending as on date.

6. Intangible assets

(` in lakhs)

PARTICULARS	GROSS BLOCK As at 01-Apr-23	Additions	Deductions/ Adjustments	As at 31-Mar-24	ACCUMULATED DEPRECIATION As at 01-Apr-23	Charge for the year	Deductions/ Adjustments	As at 31-Mar-24	NET BLOCK Balance As at 31-Mar-24	Balance As at 31-Mar-23
Computer software	1,428.33	136.20	-	1,564.53	1,253.29	54.03	-	1,307.32	257.21	175.04
TOTAL	**1,428.33**	**136.20**	**-**	**1,564.53**	**1,253.29**	**54.03**	**-**	**1,307.32**	**257.21**	**175.04**

(` in lakhs)

PARTICULARS	GROSS BLOCK As at 01-Apr-22	Additions	Deductions/ Adjustments	As at 31-Mar-23	ACCUMULATED DEPRECIATION As at 01-Apr-22	Charge for the year	Deductions/ Adjustments	As at 31-Mar-23	NET BLOCK Balance As at 31-Mar-23	Balance As at 31-Mar-22
Computer software	1,424.22	88.48	84.37	1,428.33	1,304.70	32.96	84.37	1,253.29	175.04	119.52
TOTAL	**1,424.22**	**88.48**	**84.37**	**1,428.33**	**1,304.70**	**32.96**	**84.37**	**1,253.29**	**175.04**	**119.52**

Notes

1. The Group has capitalised 400 MTPD Ammonium Sulphate-IV Project ` 7435.52 Lakhs during FY 2023-24.
2. Asset acquisition includes R&D assets of ` 59.07 lakhs (previous year ` 78.55 lakhs).
3. The Group has leased a portion of land to Bank of Baroda for bank premises at Fertilizernagar & Sikka, and GAIL (India) Ltd for establishing CNG pumping station which is currently operated by Vadodara Gas Limited.
4. The Group has acquired land through Government and also through direct negotiations. The entire land is in possession of the Company. In respect of other portion of land acquired through direct negotiations, compensation has been paid at the negotiated price. The Company also holds possession of a portion of land for which no amount has been paid in absence of receipt of awards.
5. "The Group established Sikka Jetty at its own cost, which is in operation since 1987. After due discussion with Gujarat Maritime Board (GMB), a consensus was arrived at establishing ownership of jetty with the Group. Thereafter, in terms of resolution passed by GMB, the ownership of the jetty at Sikka was transferred to the Group. However, during 1994, GMB has reversed its earlier decision not supported by resolution and contended that the ownership of the jetty rests with GMB. The Group has made representation to the appropriate authority with regards to the ownership of the jetty with the Group.

   The matter of deciding the status of Jetty was under examination at GMB & Government of Gujarat levels since long back. Various meetings were also held and after due diligence on the matter, it is decided by the Board of GMB supported by a resolution to assign the status of Captive Jetty to sikka jetty and the Group has to sign Captive Jetty Agreement with GMB. The matter is under discussion with GMB authorities. At present the Group is in possession of the Jetty and continues to be the owner of the Jetty pending signing of the Agreement."

7. Non-current investments

(` in lakhs)

Praticulars		As at 31-03-2024	As at 31-03-2023
Investments in equity shares of Associates measured under equity method			
14,302	shares of Vadodara Enviro Channel Ltd. - ` 10 each*	91.78	66.47
12,50,000	shares of Gujarat Green Revolution Company Ltd. - ` 10 each	11,192.13	9,961.83
2,54,34,558	Shares of Karnalyte Resources Inc - Canadian Dollar (CAD)	3,041.46	3,469.53
	Less : Provision for Impairment	1,418.10	1,418.10
		12,907.27	**12,079.72**
Unquoted equity shares of other companies measured at fair value through OCI			
22,50,000	Shares of Indian Potash Limited - ` 10 each	74,770.42	80,707.50
12,26,31,575	Shares of Gujarat Chemical Port Limited - Re. 1 each (Formerly Gujarat Chemical Port Terminal Company Limited)	21,092.63	34,336.84
1	Share of Gujarat State Electricity Corporation Ltd – ` 10 each	-	-
2,35,00,000	Shares of Gujarat State Petroleum Corporation Limited – Re. 1 each	4,117.20	3,569.65
41,79,848	Shares of Tunisian Indian Fertilizers (TIFERT s.a.) - TND 10 each (Note - b)	-	-
60,000	Shares of Gujarat Venture Finance Limited – ` 10 each	168.87	147.00
50,000	Shares of Biotech Consortium India Limited – ` 10 each	20.76	20.50
1,15,000	Shares of Gujarat Data Electronics Limited - ` 10 each	-	-
		1,00,169.88	**1,18,781.49**
Quoted equity shares of other companies measured at fair value through OCI			
2,91,86,009	Shares of Gujarat Narmada Valley Fertilizers Co. Ltd. - ` 10 each (GNFC Bought back 15,93,158 Shares during the year) (Note - d)	1,82,441.74	1,56,773.69
2,23,62,784	Shares of Gujarat Industries Power Company Ltd. - ` 10 each	36,462.52	16,973.35
16,55,040	Shares of Gujarat Alkalies & Chemicals Ltd. - ` 10 each	11,145.87	9,684.47
4,69,14,475	Shares of Gujarat Gas Ltd. - ` 2 each	2,55,332.03	2,15,618.93
9,35,600	Shares of Gujarat State Financial Corporation - ` 10 each	-	-
11,36,000	Shares of Bandhan Bank Limited - ` 10 each	2,044.80	2,223.72
5,49,440	Shares of Industrial Development Bank of India - ` 10 each	445.05	247.25
5,79,000	Shares of Mangalore Chemicals & Fertilizers Ltd. - ` 10 each	586.82	566.84
		4,88,458.83	**4,02,088.25**
Total FVTOCI Investments		**5,88,628.71**	**5,20,869.74**
Other equity investments			
Tunisian Indian Fertilizers (TIFERT) (Note - e)		-	**-**
TOTAL INVESTMENTS		**6,01,535.98**	**5,32,949.46**
Aggregate book value of Quoted Investments		4,88,458.83	4,02,088.25
Aggregate market value of Quoted Investments		4,88,458.83	4,02,088.25
Aggregate carrying value of Unquoted Investments		1,13,077.15	1,30,861.21
Category-wise other investments-as per Ind AS 109 classification			
Particulars		**31-03-2024**	**31-03-2023**
Financial assets carried at fair value through profit or loss (FVTPL)		-	-
Financial assets carried at cost		12,907.27	12,079.72
Financial assets measured at FVTOCI		5,88,628.71	5,20,869.74
TOTAL INVESTMENTS		**6,01,535.98**	**5,32,949.46**

Notes:

* *Less than a Thousand*

a) There is no change in the no of shares compare to previous year, except where specifically mentioned above under each case.

b) The equity shares held by the Group in Tunisian Indian Fertilizers S.A., Tunisia (TIFERT) have been pledged to secure the obligations of TIFERT to their lenders.

c) Investments at fair value through OCI (fully paid) reflect investment in quoted and unquoted equity securities. Refer note 41 for determination of their fair values.

d) During the year, Gujarat Narmada Valley Fertilizers Co. Ltd. (GNFC) offered for buyback of shares. Out of total 3,07,79,167 no's of equity shares, 15,93,158 no's of equity shares are bought back.

e) The Group has provided a loan of USD 2.50 Mn to TIFERT for procurement of critical spares and equipment's. Provided loan carries an interest of daily average LIBOR plus a margin of 225 basis points. It was provided with a condition of compulsory conversion in equity shares of TIFERT after 3 years from the date of agreement however the term of loan has been extended for further 3 years by Sponsors on request of TIFERT. Further extension of the same is under discussion with Board members of TIFERT and Principal amount of the loan along with unpaid interest will be converted into equity shares of TIFERT at face value after completion of loan term and accordingly the same has been classified as Investment, as in substance the nature is of the investment. The Fair Value of said loan is ` Nil as on 31st March 2024 & 31st March 2023.

8. Other non-current financial assets

(` in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, considered good		
Other deposits	8,553.71	3,017.89
Unsecured, considered doubtful		
Deposits with companies & others	102.70	102.70
Less: Allowance for doubtful deposits	(102.70)	(102.70)
TOTAL	**8,553.71**	**3,017.89**

9. Other non current assets

(` in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Capital Advances*	40,257.50	33,500.12
Others	38.21	29.95
TOTAL	**40,295.71**	**33,530.07**

*Capital advance as on 31st March,2024 includes ` 27,372.98 lakhs (` 27,670.51 lakhs as at 31st March,2023) advance for leasehold land pending execution of lease deed towards plot in Dahej.

10. Inventories

(` in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Raw materials	21,815.06	29,498.18
Raw materials in Transit	25,104.61	-
Work-in-Process	3,023.22	3,831.83
Finished goods	40,179.70	58,467.05
Stock in trade	10,508.79	15,563.19
Stock in trade-in Transit	5,319.25	-
Stores and spares (including packing material)	24,525.01	25,011.00
TOTAL	**1,30,475.64**	**1,32,371.25**

11. Trade receivables

(` in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Secured, considered good	**834.84**	**734.21**
Unsecured, considered good	50,319.91	49,192.54
Less: Allowance for expected credit loss	(146.27)	(185.41)
Unsecured, considered good	**50,173.64**	**49,007.13**
Unsecured, credit impaired	6,487.45	6,400.66
Less: Allowance for doubtful debts	(6,487.45)	(6,400.66)
Unsecured, credit impaired	**-**	**-**
Total Trade Receivables	**51,008.48**	**49,741.34**

(i) The average credit period on sale of goods is 30 to 90 days. No interest is charged on trade receivables up to the expiry of the credit period. Thereafter, interest is charged at 12% per annum on the outstanding balance.

(ii) The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. Refer note 41 for the provision matrix at the end of the reporting period, ageing of receivable and movement in the expected credit loss allowance.

(iii) The concentration of credit risk is limited due to the fact that the customer base is large and unrelated. There is only one customer constituting more than 10% balance of the total trade receivables as of the Balance Sheet date, which is GFDA. Refer note 41 for the credit risk management by the Group.

(iv) The above balances include trade receivables from related parties ` 1504.31 Lakhs (` 538.69 Lakhs as on 31 March 2023) Refer note 39.

(v) Trade receivable ageing schedule:

Particulars	Outstanding as on 31st March 2024 for following periods from due date of payment							Outstanding as on 31st March 2023 for following periods from due date of payment						
	Not Due	Less than 6 months	6 months-1 Years	1-2 Years	2-3 Years	More than 3 Years	Total	Not Due	Less than 6 months	6 months-1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade Receivable-Considered good	43,974.32	6,107.73	666.41	166.97	24.70	68.35	51,008.48	44,451.06	4,692.52	263.57	263.83	-	70.36	49,741.34
Undisputed trade receivable-Significant increase in credit risk	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Undisputed Trade Receivable-Credit Impaired	14.96	12.51	2.16	10.54	12.09	94.01	146.27	13.55	6.22	0.37	6.00	0.09	159.19	185.41
Disputed Trade Receivable-Considered good	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable-Significant increase in credit risk	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disputed Trade Receivable-Credit Impaired	-	24.21	17.63	-	6.82	6,438.78	6,487.44	-	-	-	-	-	6,400.66	6,400.66
	43,989.28	6,144.45	686.20	177.51	43.61	6,601.14	57,642.19	44,464.61	4,698.74	263.94	269.83	0.09	6,630.22	56,327.41
Less: Credit Impaired (Allowance for Doubtful Debt)	14.96	36.72	19.79	10.54	18.91	6,532.79	6,633.71	13.55	6.22	0.37	6.00	0.09	6,559.86	6,586.07
Total Receivables	**43,974.32**	**6,107.73**	**666.41**	**166.97**	**24.70**	**68.35**	**51,008.48**	**44,451.06**	**4,692.52**	**263.57**	**263.83**	**-**	**70.36**	**49,741.34**

Notes to the Consolidated Financial Statements

12. Government subsidies receivable

(` in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Subsidy from Government of India under New Urea Policy/Nutrient Based Subsidy Scheme		
Subsidy Receivable from Government	1,08,017.29	1,66,532.06
Less: Allowance for doubtful debts	458.29	458.29
TOTAL	**1,07,558.99**	**1,66,073.77**

13. Cash and cash equivalents

(` in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Cash and cash equivalents		
Cash on hand	73.99	70.73
Balances with banks		
In current accounts	3,104.25	2,965.29
Debit balance in Cash Credit Account	5,595.69	3,087.41
Deposit with original maturity of less than three months	44,455.34	1,03,666.32
TOTAL	**53,229.27**	**1,09,789.75**

14. Other bank balances

(` in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
In Unclaimed dividend account-restricted	533.54	451.19
In Margin Deposit	223.70	469.28
In Deposit accounts (original maturity more than three months)	1,76,310.01	33,266.31
TOTAL	**1,77,067.25**	**34,186.78**

If the dividend has not been claimed within 30 days from the date of its declaration, the Group is required to transfer the total amount of the dividend which remains unpaid or unclaimed, to a special account to be opened by the Group in a scheduled bank to be called “Unpaid Dividend Account”. The unclaimed dividend lying in such account is required to be transferred to the Investor Education and Protection Fund (IEPF), administered by the Central Government after a period of seven years from the date of declaration. Group has transferred Unclaimed Dividend upto FY 2015 – 2016 to IEPF upto March 31, 2024.

15. Loans

(` in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Secured, considered good		
Loans to employees*	25,335.95	24,202.69
Unsecured, considered good		
Advances to employees	26.44	31.63
Other loans to employees	524.57	559.21
	25,886.96	**24,793.53**

Notes:

* The loans are secured by mortgage of the underlying assets and are repayable on demand.

Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the Group. The carrying value may be affected by changes in the credit risk of the counter parties. These financial assets are carried at amortised cost.

16. Other current financial assets

(` in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Financial assets at fair value through profit & loss		
Derivatives not designated in hedging relationship		
Foreign exchange derivative contracts	43.48	-
Financial assets at amortised cost		
Interest accrued	7,726.54	1,097.50
Others	418.01	220.74
TOTAL	**8,188.03**	**1,318.24**

17. Other Current Assets

(` in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, considered good		
Balances with govt. agencies	4,340.82	8,339.83
Advances to suppliers*	11,759.72	10,066.88
Prepaid expenses	297.17	227.66
Prepayment for Lease hold lands	297.53	297.53
Other Receivables	2.32	109.28
TOTAL	**16,697.56**	**19,041.18**

* includes advances to related parties ` 8268.99 lakhs (` 4110.78 lakhs as at 31st March,2023). (Refer note no 39)

18. Assets held for sale

(` in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Assets classified as held for sale	-	-
TOTAL	**-**	**-**

19. Share Capital

(` in lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
	Number of shares Refer Note (a) below	**Amount**	**Number of shares** Refer Note (a) below	**Amount**
Authorised				
Equity Shares of ` 2/- each	1,00,00,00,000	20,000.00	1,00,00,00,000	20,000.00
Redeemable Cumulative Preference Shares of ‘100 each	1,60,00,000	16,000.00	1,60,00,000	16,000.00
		36,000.00		36,000.00
Issued, Subscribed and Paid up: #				
Issued				
Equity Shares: Face value of ` 2/- each				
Shares outstanding at beginning of the year	39,91,21,850	7,982.44	39,91,21,850	7,982.44
Shares outstanding at year end	**39,91,21,850**	**7,982.44**	**39,91,21,850**	**7,982.44**
Subscribed				
Equity Shares: Face value of ` 2/- each				
Shares outstanding at beginning of the year	39,90,69,685	7,981.39	39,90,69,685	7,981.39
Shares outstanding at year end	**39,90,69,685**	**7,981.39**	**39,90,69,685**	**7,981.39**
Paid-up				
Equity Shares: Face value of ` 2/- each				
Shares outstanding at beginning of the year	39,84,77,530	7,969.55	39,84,77,530	7,969.55
Shares outstanding at year end	**39,84,77,530**	**7,969.55**	**39,84,77,530**	**7,969.55**
TOTAL	**39,84,77,530**	**7,969.55**	**39,84,77,530**	**7,969.55**

"# Difference in Issued, Subscribed & Paid-up Equity Share Capital is due to 52,165 Equity Shares unsubscribed amounting to ` 1.04 Lakhs and 5,92,155 Equity Shares forfeited amounting to ` 11.84 Lakhs. Therefore, over all difference in Issued & Paid Share Capital is amounting to ` 12.89 Lakhs".

a) Reconciliation of Shares outstanding at the beginning and the end of the reporting period

(` in lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
	Number of shares	**Amount**	**Number of shares**	**Amount**
Equity Shares				
At the beginning of the year	39,84,77,530	7,969.55	39,84,77,530	7,969.55
Issued / Reduction, if any during the year	-	-	-	-
Outstanding at the end of the year	39,84,77,530	7,969.55	39,84,77,530	7,969.55

b) Rights, preferences and restrictions attached to shares

Equity shares

The Group has one class of equity shares having a par value of ` 2 each. Each shareholder is eligible for one vote per share held. The dividend proposed by Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Group after distribution of all preferential amounts, in proportion to their shareholding.

c) Shareholders holding more than 5% of equity share capital

Particulars	As at 31st March 2024		As at 31st March 2023	
	Number of shares	**Percentage of holding**	**Number of shares**	**Percentage of holding**
Gujarat State Investments Limited	15,07,99,905	37.84	15,07,99,905	37.84

d) **Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:** NIL

e) **Details of Promotors holding Shares in the company**

Particulars	As at 31st March 2024		As at 31st March 2023		% Change during the year
	Number of shares	Percentage of holding	Number of shares	Percentage of holding	
Gujarat State Investments Limited	15,07,99,905	37.84	15,07,99,905	37.84	-

Particulars	As at 31st March 2023		As at 31st March 2022		% Change during the year
	Number of shares	Percentage of holding	Number of shares	Percentage of holding	
Gujarat State Investments Limited	15,07,99,905	37.84	15,07,99,905	37.84	-

20. Other equity

(` in lakhs)

Particulars	Reserves & Surplus					Items of OCI	Total Equity
	Capital reserve	Security premium	Capital redemption reserve	General reserve	Retained earnings	Equity Instruments through OCI	
Balance as at April 01, 2022	**2,456.71**	**30,524.02**	**3,335.00**	**5,56,153.31**	**77,537.49**	**4,99,246.81**	**11,69,253.34**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated Balance as at 1st April, 2022	2,456.71	30,524.02	3,335.00	5,56,153.31	77,537.49	4,99,246.81	11,69,253.34
Profit for the year	-	-	-	-	1,26,588.66	-	1,26,588.66
Other comprehensive income for the year net of income tax	-	-	-	-	-	(91,559.41)	(91,559.41)
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	-	1,696.83	-	1,696.83
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**1,28,285.49**	**(91,559.41)**	**36,726.08**
Dividends paid [Note 20]	-	-	-	-	(9,962.18)	-	(9,962.18)
Transfer to General reserve	-	-	-	49,000.00	(49,000.00)	-	-
Balance as at March 31, 2023	**2,456.71**	**30,524.02**	**3,335.00**	**6,05,153.31**	**1,46,860.80**	**4,07,687.40**	**11,96,017.24**
Balance as at April 01, 2023	**2,456.71**	**30,524.02**	**3,335.00**	**6,05,153.31**	**1,46,860.80**	**4,07,687.40**	**11,96,017.24**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated Balance as at 1st April, 2023	2,456.71	30,524.02	3,335.00	6,05,153.31	1,46,860.80	4,07,687.40	11,96,017.24
Profit for the year	-	-	-	-	56,404.51	-	56,404.51
Other comprehensive income for the year net of income tax	-	-	-	-	-	74,690.16	74,690.16
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	-	(22,535.00)	-	(22,535.00)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**33,869.51**	**74,690.16**	**1,08,559.67**
Dividends paid [Note 20]	-	-	-	-	(39,847.75)	-	(39,847.75)
Transfer to General reserve	-	-	-	20,000.00	(20,000.00)	-	-
Balance as at March 31, 2024	**2,456.71**	**30,524.02**	**3,335.00**	**6,25,153.31**	**1,20,882.56**	**4,82,377.56**	**12,64,729.16**

Distributions made and proposed

(` in lakhs)

Particulars	Amount
Cash dividends on equity shares declared and paid:	
Final dividend for the year ended on 31 March 2023: ` 10.00 per share (31 March 2022: ` 2.50 per share)	39,847.75
Total cash dividends declared and paid	**39,847.75**
Proposed dividends on Equity shares:	
Final dividend for the year ended on 31 March 2024: ` 4.00 per share (31 March 2023: ` 10.00 per share)	15,939.10
Total Proposed dividends	**15,939.10**
Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability	

1. **Capital Reserve:** This reserve has been created from amounts forfeited on shares not fully paid up, scheme of capital subsidy for industries in backwards areas, etc. It is not available for distribution of dividend.
2. **Securities Premium:** The amount received in excess of face value of the Rights Equity shares issued have been recognised in Share Premium Reserve, etc. It is not available for distribution of dividend.
3. **Capital Redemption Reserve:** Capital Redemption Reserve has been created against the redemption of preference shares in earlier years. It is not available for distribution of dividend.
4. **General Reserve:** General Reserve represents a reserve other than capital reserve which is not earmarked for a specific purpose.
5. **Retained Earnings:** Retained Earnings represents surplus/accumulated earnings of the Group and are available for distribution to shareholders.
6. **Other comprehensive income (OCI):** OCI comprises items of income and expenses (including reclassification adjustments) that are not recognised in profit or loss as required or permitted by Indian Accounting Standards. The components of OCI include: re-measurements of defined benefit plans, gains and losses arising from investment in equity instruments.

21. Long term provisions

(` in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for employee benefits		
Provision for Gratuity (Refer Note 37)	7,449.29	221.95
Provision for Pension (Refer Note 37)	12,642.45	-
Provision for Compensated absences	26,607.06	21,019.95
Provision for Post Retirement Medical Benefit Scheme (PRMBS) (Refer Note 37)	4,923.14	4,833.80
Provision for Asset Retirement Obligation	2,791.57	2,578.23
Other Provisions	2,504.26	2,504.26
TOTAL	**56,917.77**	**31,158.19**

Movement in provision for Asset Retirement Obligation:

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balance at Beginning of Year	2,578.23	2,381.49
Additional provision recognised	213.34	196.74
Provision Utilized	-	-
Balance at Closing of Year	2,791.57	2,578.23

22. Financial Liabilities- borrowings

(` in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured		
Loans repayable on demand		
Short term working capital demand loan/over drafts from banks	250.45	-
TOTAL	**250.45**	**-**

* The Cash credit facility from consortium of banks is secured by hypothecation of stock of raw materials, finished products, packing materials, general stores, spares, book debts etc. of the Group.

Interest rate details for short term borrowings:

(i) Cash credit accounts carries interest rates ranging from 6.75% to 8.00% p.a.

(ii) Working capital demand loan carries interest rate ranging from 7.25% to 9.05% p.a.

(iii) The Group has taken borrowings from banks and utilised them for the specific purpose for which they were taken as at the Balance sheet date. Quarterly statements of current assets filed by the Group with Bank are in agreement with the books of aaccounts of the Group for the respective periods.

23.

A Income tax asset (net) (` in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance payment of Income Tax (net)	6,130.41	6,198.22

B Current tax liabilities (net) (` in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for Income Tax (net)	800.76	2,287.42

C Deferred tax liabilities (net)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(a) Statement of Profit & loss		
Profit & loss section		
Current income tax charge (net of MAT credit entitlement)	15,167.33	41,264.70
Deferred tax relating to origination & reversal of temporary differences	(236.78)	(11,567.93)
Tax related to earlier years	(929.14)	(2,020.29)
Income tax expense reported in the statement of profit or loss	**14,001.41**	**27,676.48**
(b) Other comprehensive income section		
Unrealised (gain)/loss on FVTOCI equity securities	5,150.34	(9,169.31)
Net loss/(gain) on remeasurements of defined benefit plans	(7,578.69)	1,918.77
Income tax charged to OCI	**(2,428.35)**	**(7,250.54)**
(c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended		
Accounting profit before income tax	**70,379.88**	**1,54,268.25**
Statutory income tax rate	25.168%	25.168%
Tax at statutory income tax rate	**16,722.81**	**39,674.88**
Tax effects of :		
Income not subject to tax	(61.19)	(99.02)
Inadmissiable expenses or expenses treated seperately	11,025.15	11,814.01
Admissiable deductions	(8,815.69)	(8,806.49)
Deduction Under chapter - VI	(3,703.75)	(1,318.69)
Deferred tax on other items	(236.79)	(11,567.93)
Total Tax effects	**(1,792.26)**	**(9,978.12)**
Income tax expense	**14,930.55**	**29,696.76**
Earlier year tax	(929.14)	(2,020.29)
Income tax expense reported in statement of Profit & loss	**14,001.41**	**27,676.48**

(d) Deferred tax relates to the following: **(` in lakhs)**

	Balance sheet		Profit & loss	
	31-Mar-24	**31-Mar-23**	**2023-24**	**2022-23**
Property, plant and equipment	(37,838.11)	(38,926.29)	1,088.18	17,895.56
Expenses allowable for tax purpose when paid	11,752.36	8,572.45	3,179.91	11,434.33
Investments in Equity instruments	(28,477.55)	(23,327.20)	(5,150.35)	9,169.31
Fair valuation of deposits	0.21	0.21	-	(0.09)
Actuarial loss on Defined benefit plan	6,836.38	1,687.04	5,149.34	(17,944.16)
Fair valuation of Derivatives	-	-	-	6.65
Machinery Spares	-	-	-	(1,464.17)
Undistributed profit of associates	-	-	-	-
Provision for PF Contribution	327.81	978.81	(651.00)	493.87
Allowance for doubtful debts	2,352.85	3,322.47	(969.62)	(621.20)
ARO provision-Windmill	472.98	423.45	49.53	(105.25)
ARO provision-Solar	16.29	12.13	4.16	4.81
Leasehold Building IND AS	(142.10)	(114.67)	(27.43)	10.80
ICDS Impact	44.68	52.26	(7.58)	(60.68)
Loss carried forward	-	-	-	(1.31)
Reclassification of MAT Credit entitlement	-	-	-	(5,847.84)
Deferred tax expense/(income)			**2,665.14**	**12,970.63**
Net deferred tax assets/(liabilities)	**(44,654.20)**	**(47,319.34)**		
Reconciliation of deferred tax liabilities (net):				
Opening Balance as at	**31-Mar-23**	**31-Mar-22**		
	(47,319.34)	**(60,289.97)**		
Tax income/(expense) during the period recognised in P&L	236.78	11,567.93		
Tax income/(Expense) MAT credit recognised in P&L	-	(5,847.84)		
Tax income/(expense) during the period recognised in OCI	2,428.35	7,250.54		
Closing balance as at	**(44,654.20)**	**(47,319.34)**		
	31-Mar-24	**31-Mar-23**		

Notes:

1. The group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.
2. During the previous year, the Group had decided to exercise the option permitted under section 115BAA of the Income Tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019 under which domestic companies have the option to pay income tax at lower rate ("New tax rate") subject to the giving up of certain incentives and deductions. Accordingly, during the current year the provision for current tax and deferred tax is recognized at the New tax rate u/s 115BAA."

24. Lease Liabilities

(` in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current	108.30	90.62
Non Current	152.12	148.23
Total Lease Liabilities	**260.42**	**238.85**

**** Details of Lease Liabilities :**

Movement of Lease Liabilities was as under:	As at 31st March, 2024	As at 31st March, 2023
Opening Balance	238.85	267.57
Add: Additions	142.35	100.64
Add: Interest recognised during the year	32.73	36.49
Less: Lease Termination	11.78	32.81
Less: Payment Made	141.73	133.04
Closing Balance	**260.42**	**238.85**

The maturity Analysis of lease liabilities are disclosed in Note 41

Group as Lessee:

The Group has taken various warehouses, godowns, guesthouses leasehold land and office premises under rental agreements. The following are the amounts recognised in Statement of Profit & Loss:

Particulars	As at 31st March, 2024	As at 31st March, 2023
Depreciation expenses of right-of-use assets	267.31	217.07
Interest expenses on lease liabilities	32.73	36.49
Total amount recognised in prodit & loss	**300.04**	**253.56**

Group as Lessor:

Rent income includes lease rentals received towards office premises and land leased out for gas station. Such operating lease is generally for a period of three to four years. There are no restrictions imposed by lease arrangements.

25. Current financial liabilities- Trade Payables

(` in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Due to Micro and Small Enterprises *	3,598.53	3,144.50
Others**	76,253.83	60,759.91
TOTAL	**79,852.36**	**63,904.41**

(1) Due to Micro, Small and Medium Enterprises (MSMED)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	3,598.53	3,144.50
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	NIL	NIL
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	NIL	NIL
(iv) The amount of interest due and payable for the year	7.50	1.25
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	NIL	NIL
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	NIL	NIL

(2) **Trade Payables ageing schedule:**

Particulars	Outstanding as on 31st March 2024 for following periods from due date of payment							Outstanding as on 31st March 2023 for following periods from due date of payment						
	Unbilled	Not due	Less Than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total	Unbilled	Not due	Less Than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
MSME	1,192.96	565.25	1,755.55	53.89	22.05	8.84	3,598.53	434.99	1,645.49	951.56	59.78	24.80	27.88	3,144.50
Others	33,886.56	29,200.69	10,214.21	2,905.98	16.77	4.59	76,228.80	12,237.07	31,797.89	12,482.98	574.38	377.60	3,264.96	60,734.88
Disputed dues – MSME	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	25.03	25.03	-	-	-	-	-	25.03	25.03
Total Trade Payables	**35,079.52**	**29,765.94**	**11,969.76**	**2,959.87**	**38.82**	**38.45**	**79,852.36**	**12,672.07**	**33,443.38**	**13,434.54**	**634.16**	**402.40**	**3,317.87**	**63,904.41**

* Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

** The above balances include trade payables to related parties ` 1932.52 Lakhs (` 811.88 Lakhs as on 31 March 2023) Refer Note 39.

26. Other current financial liabilities

(` in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Financial liabilities at fair value through profit & loss		
Derivatives not designated in hedging relationship		
Foreign exchange derivative contracts	-	15.75
Other financial liabilities at amortised cost		
Unclaimed dividend*	533.54	451.19
Deposits received	6,123.03	5,731.64
Liability towards employee benefits	9,040.52	6,638.90
Creditors for capital goods	13,070.08	11,424.16
Other payables	915.72	894.04
TOTAL	**29,682.89**	**25,155.68**

* These figures do not include any amounts due and outstanding to be credited to Investor Education and Protection Fund.

27. Other current liabilities

(` in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advances from customers	1,459.22	1,860.89
Statutory dues	2,287.28	1,790.64
Income received in advance	6.38	3.70
Others #	1,558.40	3,353.23
TOTAL	**5,311.28**	**7,008.46**

Includes ` 578.41 Lakhs ('Nil' as at 31st March, 2023) towards unspent CSR Amount. (Refer note no. 43 Corporate Social Responsibility)

28. Provisions

(` in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for employee benefits		
Provision for Gratuity (Refer note 37)	2,905.99	1,384.11
Provision for Pension (Refer note 37)	4,073.99	(795.36)
Provision for Compensated absences*	5,769.73	4,871.11
Provision for PRMBS (Refer note 37)	296.77	287.76
Other Provision**	1,302.48	3,889.10
TOTAL	**14,348.96**	**9,636.72**

* The provision for Compensated absences pertains to accrued ordinary and sick leave entitlements. The change in carrying amount of the provision results from additional provision recognized net of benefits paid.

**"Employees' Provident Fund Trust of the Group (GSFC-EPFTs) are holding investments aggregating to ` 726.70 Lakhs in various debt securities issued by IL&FS Group, Yes Bank Ltd., Reliance Home Finance, Reliance Capital Ltd and SREI Group. As a matter of prudence, the Group has made a provision in view of uncertainties regarding recoverability of such investments and interest thereon. In future Group will make provision looking to the development in the matter."

29. Revenue from operations

(` in lakhs)

Particulars	Year ended 31st March, 24	Year ended 31st March, 23
Revenue from sale of products (including subsidy on fertilizers)		
- Manufactured / Generated products	7,85,550.86	9,80,636.71
- Traded products	1,28,323.39	1,54,306.82
- Other Operating Revenue	710.17	1,342.72
- Sale of Service	879.98	583.16
Total	**9,15,464.41**	**11,36,869.41**
Revenue from operation above includes:-		
Subsidy from Government of India under New Urea Policy/Nutrient Based Subsidy Scheme		
Pertaining to current year	3,69,492.27	5,53,409.51
Pertaining to earlier years determined during current year	(16,153.73)	27,622.18
TOTAL	**3,53,338.54**	**5,81,031.69**

30. Other income

(` in lakhs)

Particulars	Year ended 31st March, 24	Year ended 31st March, 23
Interest		
Deposits:	14,223.39	5,723.93
Advances:	1,122.83	1,075.63
Others:	338.30	130.03
Dividend from long term investments	14,653.60	5,114.54
Rent	353.85	301.46
Insurance claims	279.68	41.52
Excess provision no longer required	5,263.57	481.07
Scrap sales	765.97	956.07
Profit on sale of fixed assets	17.52	155.42
Miscellaneous income	670.57	905.21
TOTAL	**37,689.27**	**14,884.89**

31. Cost of material consumed

(` in lakhs)

Particulars	Year ended 31st March, 24	Year ended 31st March, 23
Raw Materials		
Opening stock	29,498.18	43,916.81
Add: Purchases	4,93,542.94	5,70,729.23
Less: Closing stock	46,919.67	29,498.18
TOTAL	**4,76,121.45**	**5,85,147.86**

32. Changes in inventory of finished goods, work in process and stock in trade

(` in lakhs)

Particulars	Year ended 31st March, 24	Year ended 31st March, 23
Opening stock		
Finished products	58,467.05	59,284.23
Stock in trade	15,563.19	11,040.48
Work-in-process	3,831.83	2,546.96
	77,862.07	**72,871.67**
Less: Closing stock		
Finished products	40,179.70	58,467.05
Stock in trade	15,828.04	15,563.19
Work-in-process	3,023.22	3,831.83
	59,030.96	**77,862.07**
(Increase) / Decrease	**18,831.11**	**(4,990.40)**

33. Employee benefit expenses

(` in lakhs)

Particulars	Year ended 31st March, 24	Year ended 31st March, 23
Salaries, wages, bonus	69,290.93	50,570.54
Contribution to provident, gratuity and superannuation (pension) funds (including provisions)	7,307.93	8,540.04
Staff Welfare expenses	8,383.67	7,697.37
TOTAL	**84,982.53**	**66,807.96**

-Employee benefit expenses includes R&D salary expenses of ` 1243.29 lakhs (previous year ` 958.21 lakhs) (Refer note no. 42) and also includes remuneration to KMP amounting to ` 228.21 lakhs (previous year ` 251.49 lakhs) (Refer note no. 39)

34. Finance costs

(` in lakhs)

Particulars	Year ended 31st March, 24	Year ended 31st March, 23
Interest		
- borrowings	114.53	355.21
- others	753.73	848.38
Other borrowing cost	251.25	299.04
TOTAL	**1,119.51**	**1,502.63**

35. Other expenses

(` in lakhs)

Particulars	Year ended 31st March, 24	Year ended 31st March, 23
Consumption of stores and spare parts	17,161.16	14,526.07
Water	3,516.74	3,466.68
Packing expenses	9,373.61	10,327.87
Repairs to buildings	553.39	527.03
Repairs to machinery	9,462.15	7,731.48
Other repairs	742.85	649.67
Insurance	1,761.95	1,837.29
Rent, rates and taxes	768.99	831.38
Product transportation, distribution & loading & unloading charges	28,523.60	28,796.74
Depots and farm information centers expense	3,386.15	1,598.01
Marketing expense reimbursement, demonstration, extension services and publicity etc.	1,424.28	1,417.98
Foreign exchange gain/loss (net)	194.40	978.31
Directors fees	13.83	19.25
Legal & Professional charges	830.45	759.42
Auditors' remuneration *	15.03	25.45
Cost auditors' fees	4.65	4.60
Loss on fixed assets sold/discarded	48.05	26.93
Allowance for doubtful debts	125.44	157.63
Amortisation of leasehold land	297.53	297.53
Donations and contributions	3,739.97	998.24
Miscellaneous	6,216.15	17,020.08
TOTAL	**88,160.37**	**91,997.63**
Other expenses includes R&D expenses of ` 30.99 lakhs (previous year ` 16.97 lakhs) in respective heads (Refer note no. 42)		

*Auditors' remuneration

Particulars	Year ended 31st March, 24	Year ended 31st March, 23
Payment to Statutory Auditors:		
For Statutory audit	3.30	3.29
For Taxation matters	1.94	3.92
For other services (including Limited Review fees & certification)	8.94	17.05
For Reimbursement of expenses	0.85	1.19
	15.03	**25.45**

36. Earnings per share (EPS): **(` in lakhs)**

Particulars	Year ended 31st March, 24	Year ended 31st March, 23
i. Profit attributable to Equity holders of the Company		
Profit attributable to equity holders of the Company		
Continuing operations	56,404.51	1,26,588.66
Discontinued operations	-	-
Profit attributable to equity holders of the Company for basic earnings	56,404.51	1,26,588.66
Effect of dilution	-	-
Profit attributable to equity holders of the Company adjusted for the effect of dilution	**56,404.51**	**1,26,588.66**
ii. Weighted average number of ordinary shares		
Issued ordinary shares	39,84,77,530	39,84,77,530
Effect of dilution	-	-
	39,84,77,530	39,84,77,530
Basic EPS (`)	14.16	31.77
Diluted EPS (`)	14.16	31.77
Nominal value per share (`)	2.00	2.00

37. Employment benefit plans

a) The Group operates post employment and other long term employee benefits defined plans as follows:

I. Funded

i. Gratuity

ii. Pension

II. Unfunded

i. Post retirement medical benefit scheme

Aforesaid post-employment benefit plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment Risk: The present value of the defined benefit liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest Risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.

Longevity Risk: The present value of the defined benefit liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk: The present value of the defined benefit liability is calculated by reference to the future salaries of plan participants. As such, an increase in salary of the plan participants will increase the plan's liability.

b) Defined contribution plans:

Amount towards Defined Contribution Plans have been recognised under ''Contributions to Provident, Gratuity and Superannuation Fund (pension) Funds (including provisions)" in Note : 33 ` 4789.50 lakhs for FY 2023-24 (` 4413.18 lakhs for FY 2022-23).

37. Employment benefit plans (Contd...)

c) Details of funded & unfunded plans are as follows:

(` in lakhs)

Description	Pension		Gratuity		Gratuity		PRMBS	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
1. Changes In Present Value of obligation								
a. Obligation as at the beginning of the year	69,588.75	75,314.86	36,387.44	38,225.82	74.22	55.86	5,121.56	5,241.34
b. Current Service Cost	784.62	909.80	1,583.40	1,682.12	16.45	16.63	188.84	206.50
c. Interest Cost	5,219.16	5,151.54	2,729.06	2,762.48	5.31	3.74	385.66	387.86
d. Actuarial (Gain)/Loss	19,564.71	(2,071.65)	9,837.31	(1,138.62)	(2.83)	(1.55)	212.47	(49.17)
e. Benefits Paid	(13,817.33)	(9,715.80)	(7,208.05)	(5,144.36)	(8.58)	(0.46)	(688.62)	(664.97)
f. Obligation as at the end of the year	81,339.91	69,588.75	43,329.16	36,387.44	84.56	74.22	5,219.91	5,121.56
The defined benefit obligation is	Funded	Funded	Funded	Funded	Unfunded	Unfunded	Unfunded	Unfunded
2. Changes in Fair Value of Plan Assets								
a. Fair Value of Plan Assets as at the beginning of the year	70,384.11	65,815.54	34,855.60	31,665.39	-	-	-	-
b. Interest Income	5,278.81	4,501.79	2,614.18	2,288.16	-	-	-	-
c. Return on Plan Assets, Excluding Interest Income	(308.10)	389.74	(192.61)	(34.59)	-	-	-	-
d. Contributions	3,085.98	9,392.84	2,991.52	6,081.00	-	-	-	-
e. Benefits Paid	(13,817.33)	(9,715.80)	(7,208.02)	(5,144.36)	-	-	-	-
f. Fair Value of Plan Assets as at the end of the year	64,623.47	70,384.11	33,060.67	34,855.60	-	-	-	-
3. Amount Recognised In The Balance Sheet								
a. Fair Value of Plan Assets as at the end of the year	64,623.47	70,384.11	33,060.67	34,855.60	-	-	-	-
b. Present Value of Obligation as at the end of the year	(81,339.91)	(69,588.75)	(43,329.16)	(36,387.44)	(84.56)	(74.22)	(5,219.91)	(5,121.56)
c. Amount recognised in the Balance Sheet	(16,716.44)	795.36	(10,268.49)	(1,531.84)	(84.56)	(74.22)	(5,219.91)	(5,121.56)
4. Expense recognised in P & L during the year								
a. Current Service Cost	784.62	909.80	1,583.40	1,682.12	16.45	16.63	188.84	206.50
b. Net Interest Cost	(59.65)	649.75	114.88	474.32	5.31	3.74	385.66	387.86
c. Expense recognised during the year	724.97	1,559.55	1,698.28	2,156.44	21.75	20.37	574.50	594.36
5. Expense recognised in OCI during the year								
a. Return on Plan Assets, Excluding Interest Income	308.10	(389.74)	192.61	34.59	-	-	-	-
b. Actuarial (Gain)/Loss recognised on Obligation	19,564.71	(2,071.65)	9,837.31	(1,138.62)	(2.83)	(1.55)	212.47	(49.17)
c. Net (Income)/Expense recognised during the year	19,872.81	(2,461.39)	10,029.92	(1,104.03)	(2.83)	(1.55)	212.47	(49.17)
6. Investment Details of Plan Assets								
Administered by LIC of India	100%	100%	100%	100%	N.A.	N.A.	N.A.	N.A.

d) Assumptions

(` in lakhs)

	Pension		Gratuity		Gratuity		PRMBS	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
a. Discount Rate (per annum)	7.24%	7.50%	7.23%	7.50%	7.18%	7.31%	7.24%	7.53%
b. Estimated Rate of return on Plan Assets (per annum)	7.24%	7.50%	7.23%	7.50%	NA	NA	NA	NA
c. Salary Escalation Rate (per annum)	NA	NA	NA	NA	5.22%	7.00%	NA	NA
d. Medical Cost Inflation (per annum)	NA	NA	NA	NA	NA	NA	4.00%	4.00%

37. Employment benefit plans (Contd...)

e. The estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors.

f. The estimate of mortality rate during employment has been considered as per Indian Assured Lives Mortality (2006-08).

g. Provident Fund contributions are made to Trusts administered by the Group. The interest rate payable to the members of the Trusts shall not be lower than the statutory rate of interest declared by the Central Government under the Employees provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Group.

Maturity Profile Projeted benefit payable in future year from the date of reporting	Pension		Gratuity		Gratuity		PRMBS	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
	Funded	Funded	Funded	Funded	Unfunded	Unfunded	Unfunded	Unfunded
1st Following year	13,071.11	12,037.23	7,064.01	6,458.65	21.32	12.45	296.77	287.75
2nd Following year	7,201.10	7,574.56	3,659.21	3,748.67	12.52	11.44	310.19	304.52
3rd Following year	11,716.50	9,204.48	5,628.92	4,434.76	11.77	10.89	323.69	318.85
4th Following year	9,494.33	8,937.89	4,634.65	4,318.24	10.48	10.14	333.92	333.00
5th Following year	11,833.26	7,328.28	5,625.67	3,605.18	9.35	9.05	347.18	344.22
Sum of year 6 to 10	40,436.92	37,325.84	19,593.15	17,853.74	28.60	29.61	1,890.67	1,912.00
Sum of year 11 and above	26,776.31	21,192.11	27,560.75	21,091.55	20.04	22.25	-	-

The expense is disclosed in Note No. 33 - "Employee Benefit Expenses", Pension & Gratuity are disclosed in line item - Contribution to Provident Fund, and provision to Gratuity, Superannuation (Pension) Funds. Leave Encashment is disclosed in line item - Salaries, Wages and Bonus and PRMBS is disclosed in line item - Welfare funds.

(` in lakhs)

Description	2023-24		
	Pension	Gratuity	PRMBS
Effect of one percentage point change in the assumed Discount Rate			
a. One percentage point increase in Discount Rate	(3,427.20)	(2,210.78)	(523.70)
b. One percentage point decrease in Discount Rate	3,768.90	2,511.46	642.03
Effect of one percentage point change in the assumed Salary Escalation Rate			
a. One percentage point increase in Salary Escalation Rate	3,777.78	2,322.19	NA
b. One percentage point decrease in Salary Escalation Rate	(3,496.92)	(2,169.34)	NA
Effect of one percentage point change in the assumed medical inflation rate-Benefit Obligation			
a. One percentage point increase in medical inflation rate	NA	NA	657.28
b. One percentage point decrease in medical inflation rate	NA	NA	(543.15)

37. Employment benefit plans (Contd...)

f) Details of funded & unfunded plans are as follows:

(` in lakhs)

Pension	2023-24	2022-23	2021-22	2020-21	2019-20
Net Asset/(Liability) recognised in Balance Sheet (including experience adjustment impact)					
1 Present Value of Defined Benefit Obligation	81,339.91	69,588.75	75,314.86	78,081.62	79,876.92
2 Fair Value of Plan Assets	64,623.47	70,384.11	65,815.54	48,748.23	39,975.18
3 Status [Surplus/(Deficit)]	(16,716.44)	795.36	(9,499.32)	(29,333.39)	(39,901.74)
4 Experience Adjustment of Plan Assets [Gain/(Loss)]	(308.10)	389.74	472.14	139.31	(170.10)
5 Experience/Assumptions Adjustment of obligation [(Gain)/Loss]	19,564.71	(2,071.65)	(71.50)	1,423.18	18,870.75
Gratuity	**2023-24**	**2022-23**	**2021-22**	**2020-21**	**2019-20**
Net Asset/(Liability) recognised in Balance Sheet (including experience adjustment impact)					
1 Present Value of Defined Benefit Obligation	43,413.72	36,461.66	38,281.68	39,557.57	40,436.32
2 Fair Value of Plan Assets	33,060.67	34,855.60	31,665.39	26,069.19	21,799.23
3 Status [Surplus/(Deficit)]	(10,353.05)	(1,606.06)	(6,616.29)	(13,488.38)	(18,637.09)
4 Experience Adjustment of Plan Assets [Gain/(Loss)]	(192.61)	(34.59)	102.27	324.74	(8.02)
5 Experience/Assumptions Adjustment of obligation [(Gain)/Loss]	9,834.48	(1,140.17)	(1,250.82)	(545.82)	10,969.21
PRMBS	**2023-24**	**2022-23**	**2021-22**	**2020-21**	**2019-20**
Net Asset/(Liability) recognised in Balance Sheet (including experience adjustment impact)					
1 Present Value of Defined Benefit Obligation	5,219.91	5,121.56	5,241.34	5,476.65	4,889.38
2 Fair Value of Plan Assets	-	-	-	-	-
3 Status [Surplus/(Deficit)]	(5,219.91)	(5,121.56)	(5,241.34)	(5,476.65)	(4,889.38)
4 Experience Adjustment of Plan Assets [Gain/(Loss)]	-	-	-	-	-
5 Experience/Assumptions Adjustment of obligation [(Gain)/Loss]	212.47	(49.17)	(117.76)	517.72	908.56

38. Commitment and contingencies

a. Commitments

(` in lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
(i) Estimated amount of contracts remaining to be executed on capital accounts and not provided for	66,876.38	73,585.52

b. Contingent liabilities

(` in lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
Claims against the Company not acknowledgement as debt		
(i) Excise and Customs duty	2,181.12	2,049.34
(ii) Central sales tax and value added tax	2,266.03	2,266.03
(iii) Income tax	19,334.61	19,398.16
(iv) Other	61,470.62	66,555.71
(v) Employees / ex-employees, contractual labour – pending before courts	Not ascertainable	Not ascertainable

In respect of the above, the expected outflow will be determined at the time of final resolution of the dispute.

c. Contingent Assets

The Group does not have any contingent assets.

39. Related party transactions

(` in lakhs)

Name of the party (listed entity/subsidiary)	Name of the Counterparty	Nature of Relationship	Nature of Transaction	2023-24	2022-23
GSFC LTD	Vadodara Enviro Channel Ltd.	Associate	Usage of effluent channel	622.44	288.50
			Outstanding balance-Payable	23.65	23.24
GSFC LTD	Gujarat Green Revolution Company	Associate	Expenses Recovered	323.07	205.22
			Dividend received/receivable	12.50	12.50
			Outstanding balance-Receivable	122.33	37.12
GSFC LTD	Karnalyte Resources Inc.	Associate	Expenses Recovered	46.69	30.82
			Equity Contribution	0.00	1,978.57
			Outstanding balance-Receivable	7.75	0.00
GSFC LTD	Managing Director	Key Management Personnel	Remuneration	172.60	197.49
GSFC LTD	V D Nanavaty – ED (Finance) & CFO		Interest Income	0.00	1.11
GSFC LTD	Nidhi Pillai - CS & VP (LEGAL)				
GSFC LTD	Directors	Directors	Sitting Fees	13.82	17.50
GSFC LTD	Gujarat Alkalies and Chemicals Limited	Other related party	Purchase of Material	2,320.97	4,517.05
			Expenses Recovered	22.55	23.97
			Dividend received/receivable	389.76	165.50
			Outstanding balance-Payable	143.96	257.29
			Outstanding balance-Receivable	6.69	3.19
GSFC LTD	Tunisian Indian Fertilizer Company (TIFERT)	Other related party	Purchase of Material	18,096.42	52,969.10
			Advance to vendor	8,268.99	4,110.78
			Provision for Investment	154.41	103.71
			Expenses Recovered	11.38	19.36
			Outstanding balance-Receivable	1,023.91	327.68
GSFC LTD	Gujarat State Petronet Ltd	Other related party	Fees for Services	816.01	2,467.37
			Outstanding balance-Payable	4.49	103.38
GSFC LTD	GSFC Education Society	Other related party	Donation Granted	880.50	891.84

39. Related party transactions (Contd...)

GSFC LTD	Gujarat Gas Ltd	Other related party	Income from Other Services	70.77	69.71
			Dividend received/receivable	3,119.81	938.29
			Outstanding balance-Payable	(2.63)	9.00
GSFC LTD	The Fertilizer Association of India	Other Related Party	Fees for Services	19.67	19.28
GSFC LTD	Gujarat Narmada Valley Fertilizers Company Limited	Other related party	Sale of Material	982.24	1,388.02
			Fees for Services	0.00	0.31
			Dividend received/receivable	9,233.75	3,077.91
			Outstanding balance-Payable	(0.06)	(0.06)
			Outstanding balance-Receivable	14.42	27.94
GSFC LTD	Gujarat Industries Power Company Limited.	Other related party	Sale of Materials/Goods	3.24	13.81
			Dividend received/receivable	838.60	559.06
			Outstanding balance-Receivable	0.00	(0.06)
GSFC LTD	Gujarat State Petroleum Corporation Ltd.	Other Related Party	Purchase of Gas	36,610.74	80,170.61
			Fees for Services	0.80	0.90
			Outstanding balance-Payable	1,832.43	667.94
GSFC LTD	Indian Potash Ltd.	Other Related Party	Purchase of Material	7,784.53	0.00
			Dividend received/receivable	157.50	135.00
			Outstanding balance-Payable	8.70	8.70
GSFC LTD	GSFC Science Foundation	Other related party	Expenses Recovered	0.00	0.56
			Donation Granted	0.00	2.00
			Outstanding balance-Payable	0.00	(0.56)
GSFC LTD	Gujarat Chemical Port Limited	Other related party	Dividend received/receivable	882.94	294.31
GSFC LTD	Gsfc Employees PF Trust	Retiral Funds	Employer's contribution	3,584.29	2,526.18
	Fiber Unit Employees PF Trust			190.95	215.82
	Sikka Unit Employees PF Trust			207.15	216.62
	Polymer Unit Employees PF Trust			65.51	87.77
	Gsfc Employees Gratuity Fund Trust			2,738.24	4,685.53
	Fiber Unit Gratuity Fund Trust			167.00	677.84
	Sikka Unit Gratuity Fund Trust			163.90	577.34
	Polymer Unit Gratuity Fund Trust			65.34	275.27
	Gsfc Employees Pension Fund Trust			2,258.36	6,676.76
	Fiber Unit Employees Pension Fund Trust			277.68	1,198.08
	Sikka Unit Employees Pension Fund Trust			260.84	939.48
	Polymer Unit Staff Pension Fund Trust			92.36	412.09
	Gsfc Employees PF Trust		Contribution towards short fall	0.00	706.15
	Polymer Unit Employees PF Trust			0.00	80.85
	Fiber Unit Employees PF Trust			0.00	158.89
	Sikka Unit Employees PF Trust			0.00	252.77
GSFC Agrotech Limited	Gujarat Green Revolution Company	Associate Company of Holding Company	Sale of Services	416.79	401.29
			Outstanding balance-Receivable	321.79	125.51
GSFC Agrotech Limited	Gujarat Narmada Valley Fertilizers Company Limited	Related Party of Holding Company	Purchase of Material	244.22	865.14
			Sale of Material	76.64	74.13
			Outstanding balance-Payable	(1.52)	(53.68)
			Outstanding balance-Receivable	7.42	17.31
GSFC Agrotech Limited	Indian Potash Limited	Related Party of Holding Company	Purchase of Material	2,217.84	4,562.86
			Outstanding balance-Payable	(76.50)	(203.37)
GSFC Agrotech Limited	S. K. Mishra, CEO	Key Management Personnel	Remuneration	55.61	54.00
GSFC Agrotech Limited	D. D. Bhalgamiya, CFO				
GSFC Agrotech Limited	Purvi Dani, CS				

39. Related party transactions (Contd...)

GSFC Agrotech Limited	GSFC Education Society	Other Related Party	Donation Granted	22.44	24.41
GSFC Agrotech Limited	GSFC Science Foundation	Other Related Party	Expenses Recovered	12.39	11.99

- Please refer remuneration to Non-executive Directors under Managerial Remuneration point in Corporate Governance Report for Directors Sitting Fees.

Following are the list of RPs where Group has no transaction during FY 2023-24 & 2022-23

Name of the party (listed entity/subsidiary)	Name of the Counterparty	Nature of Relationship with the listed Entity or its subsidiary
GSFC LTD	Gujarat State Financial Investrment Limited	Promoter

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Related Party Transaction amounts shown in above table are inclusive of taxes. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2024, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (31st March, 2023: Nil). 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.

Terms and conditions of transactions with related parties:

Transactions with key management personnel of the Group: (` in lakhs)

Remuneration to key management personnel:	For the year ended	
	31-Mar-24	31-Mar-23
Short term employee benefits	193.82	226.04
Post employment benefits	20.14	12.93
Long-term employee benefits	14.26	12.52
Total	**228.21**	**251.49**

40. Segment information

For management purposes, the Group is organised into business units based on its products and has two reportable segments, as follows:

1. **Fertilizer products** comprising of Urea, Ammonium Sulphate, Di-ammonium Phosphate, Ammonium Phosphate Sulphate, NPK (12:32:16), (10:26:26), traded fertilizer products etc.
2. **Industrial products** comprising of Caprolactam, Nylon-6, Nylon Chips, Melamine, Methanol, traded industrial products etc.

   The Chief Operating Decision Maker ("CODM") evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by the two operating segments. The CODM reviews revenue and gross profit as the performance indicator for both operating segments.

(` in lakhs)

A]	SEGMENT REVENUE:	31-Mar-24	31-Mar-23
1	TOTAL SEGMENT REVENUE		
	a) Fertilizer Products	6,83,462.26	8,84,023.45
	b) Industrial Products	2,32,002.15	2,52,845.96
	TOTAL	9,15,464.41	11,36,869.41
2	INTER SEGMENT REVENUE	-	-
3	EXTERNAL REVENUE (1 - 2)		
	a) Fertilizer Products	6,83,462.26	8,84,023.45
	b) Industrial Products	2,32,002.15	2,52,845.96
	TOTAL	9,15,464.41	11,36,869.41
B]	RESULT:		
1	Segment result		
	a) Fertilizer Products	39,157.10	1,45,964.31
	b) Industrial Products	1,566.34	517.15
	TOTAL	40,723.44	1,46,481.46
2	a) Unallocated income	35,494.13	13,636.52
	b) Unallocated expenses	(4,718.19)	(4,347.11)
3	Operating Profit (B1 + B2)	71,499.38	1,55,770.87
4	Finance Cost	(1,119.51)	(1,502.63)
5	Provision for Taxation:		
	Current Income Tax	(15,167.33)	(41,264.70)
	Deferred Tax (net)	236.78	11,567.93
	Earlier Year Tax	929.14	2,020.29
6	Net Profit	56,378.46	1,26,591.77
C]	OTHER INFORMATION:		
1	Segment assets		
	a) Fertilizer Products	3,96,769.50	4,61,159.45
	b) Industrial Products	1,97,362.62	2,03,198.66
	TOTAL	5,94,132.12	6,64,358.11
2	Unallocated corporate assets	9,10,937.08	7,26,566.45
3	Total Assets	15,05,069.20	13,90,924.56
4	Segment Liabilities		
	a) Fertilizer Products	1,25,016.64	93,318.01
	b) Industrial Products	49,888.21	33,639.11
	TOTAL	1,74,904.85	1,26,957.12
5	Unallocated corporate liabilities	57,334.37	59,823.31
6	Total Liabilities	2,32,239.22	1,86,780.43

(` in lakhs)

		31-Mar-24	31-Mar-23
7	**Capital Expenditure**		
	a) Fertilizer Products	10,175.47	9,296.88
	b) Industrial Products	6,328.46	987.32
	c) Corporate Capital Expenditure	2,486.87	2,104.62
	TOTAL	**18,990.80**	**12,388.82**
8	**Depreciation and Amortisation**		
	a) Fertilizer Products	9,379.52	9,277.05
	b) Industrial Products	8,860.21	8,818.16
	c) Unallocated corporate Depreciation	108.02	106.29
	TOTAL	**18,347.75**	**18,201.50**
9	**Non-Cash expenses**		
	a) Fertilizer Products	27,328.58	2,925.08
	b) Industrial Products	18,841.19	1,698.31
	c) Unallocated non-cash expenses	-	-
	TOTAL	**46,169.77**	**4,623.40**

41. Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The carrying value of financial instruments by categories as of 31st March, 2024 is as follows. (` in lakhs)

Particulars	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Non-current investments	-	5,88,628.71	12,907.27	6,01,535.98	4,88,458.83	-	1,00,169.88	5,88,628.71
Other Non-current financial asset	-	-	8,553.71	8,553.71	-	-	-	-
Trade receivables	-	-	51,008.48	51,008.48	-	-	-	-
Government subsidy receivable	-	-	1,07,558.99	1,07,558.99	-	-	-	-
Cash and cash equivalents	-	-	53,229.27	53,229.27	-	-	-	-
Other bank balances	-	-	1,77,067.25	1,77,067.25	-	-	-	-
Current loans	-	-	25,886.96	25,886.96	-	-	-	-
Derivative financial instruments	43.48	-	-	43.48	-	43.48	-	43.48
Other Current financial asset	-	-	8,144.55	8,144.55	-	-	-	-
	43.48	**5,88,628.71**	**4,44,356.48**	**10,33,028.67**	**4,88,458.83**	**43.48**	**1,00,169.88**	**5,88,672.19**
Financial liabilities								
Current borrowings	-	-	250.45	250.45	-	-	-	-
Lease Liabilities	-	-	260.42	260.42	-	-	-	-
Trade payables	-	-	79,852.36	79,852.36	-	-	-	-
Other current financial liabilities	-	-	29,682.89	29,682.89	-	-	-	-
Derivative financial instruments	-	-	-	-	-	-	-	-
	-	**-**	**1,10,046.12**	**1,10,046.12**	**-**	**-**	**-**	**-**
The carrying value of financial instruments by categories as of 31 st March, 2023 is as follows.								(` in lakhs)
Financial assets								
Non-current investments	-	5,20,869.74	12,079.72	5,32,949.46	4,02,088.25	-	1,18,781.49	5,20,869.74
Other Non-current financial asset	-	-	3,017.89	3,017.89	-	-	-	-
Trade receivables	-	-	49,741.34	49,741.34	-	-	-	-
Government subsidy receivable	-	-	1,66,073.77	1,66,073.77	-	-	-	-
Cash and cash equivalents	-	-	1,09,789.75	1,09,789.75	-	-	-	-
Other bank balances	-	-	34,186.78	34,186.78	-	-	-	-
Current loans	-	-	24,793.53	24,793.53	-	-	-	-
Derivative financial instruments	-	-	-	-	-	-	-	-
Other Current financial asset	-	-	1,318.24	1,318.24	-	-	-	-
	-	**5,20,869.74**	**4,01,001.02**	**9,21,870.76**	**4,02,088.25**	**-**	**1,18,781.49**	**5,20,869.74**
Financial liabilities								
Current borrowings	-	-	-	-	-	-	-	-
Lease Liabilities	-	-	238.85	238.85	-	-	-	-
Trade payables	-	-	63,904.41	63,904.41	-	-	-	-
Other current financial liabilities	-	-	25,139.93	25,139.93	-	-	-	-
Derivative financial instruments	15.75	-	-	15.75	-	15.75	-	15.75
	15.75	**-**	**89,283.19**	**89,298.94**	**-**	**15.75**	**-**	**15.75**

B. Measurement of fair values & Sensitivity Analysis

i) Valuation techniques and significant unobservable inputs

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Financial instruments measured at fair value

Financial assets / financial liabilities	Fair Value (` In Lakhs) as at		Fair Value hierarchy	Valuation technique(s) and key input(s)
	31-03-2024	31-03-2023		
1) Investments in equity instruments at FVTOCI (quoted) (see note 7)	Listed equity securities in various companies engaged in fertilizer, chemicals,finance, gas, power and mining industry aggregate fair value of ` 4,88,458.82	Listed equity securities in various companies engaged in fertilizer, chemicals,finance, gas, power and mining industry aggregate fair value of ` 4,02,088.25	Level 1	Quoted bid prices in an active market

Particulars	Valuation technique(s) & key input(s)	Fair Value (₹ In Lakhs) as at		Fair Value hierarchy	Significant unobservable input(s)	Relationship of unobservable input(s) to fair value
		31-03-2024	31-03-2023			
2) Investments in equity instruments at FVTOCI (unquoted) (see note 7)	Market Approach- Comparable companies-In this approach, the value of shares / business of a company is determined based on market multiples of publicly traded comparable companies. The appropriate multiple is generally based on performance of listed companies with similar business model and size (Refer note 1 below).	Investment in companies engaged in business of fertilizers industry - aggregate fair value of ₹ 74,770.43	Investment in companies engaged in business of fertilizers industry - aggregate fair value of ₹ 80,707.50	Level 3	Market Multiple Discount ranging from 15% to 25% (As at 31.3.23, from 15% to 25%)	Increasing/Decreasing the Market Multiples by probability weighted range, would change the FV by +INR 3519.00 lakhs & -INR 3903.30 lakhs (As at 31.3.23, +INR 1597.50 lakhs & -INR 2182.50 lakhs)
	Cost Approach- In this approach, Replacement Cost method & Book Value method used. &Income Approach- In this approach, discounted cash flow method used to capture the present value of the expected future economic benefits to be derived from the ownership of this investee.	Investment in companies engaged in business of storage facilities - aggregate fair value of ₹ 21,092.63	Investment in companies engaged in business of storage facilities - aggregate fair value of ₹ 34,336.84	Level 3	Market Multiple Discount ranging from 10% to 20% (As at 31.3.23 from 25% to 35%)	Increasing/Decreasing the Market Multiples by probability weighted range, would change the FV by +INR 1256.97 lakhs & -INR 1226.32 lakhs (As at 31.3.23, +INR 4905.26 lakhs & -INR 3678.95 lakhs)
	Cost Approach- Net Asset Value - In this approach, total value is based on the sum of net asset value as recorded on the balance sheet. A net asset methodology is most applicable for businesses where the value lies in the underlying assets and not the ongoing operations of the business. (Refer note 1 and 2 below).	Investment in companies engaged in power and finance industry - aggregate fair value of ₹ 189.63	Investment in companies engaged in power and finance industry - aggregate fair value of ₹ 167.50	Level 3	Discount to Book Value ranging from 15% to 30% (As at 31.3.23 from 15% to 30%)	Increasing/Decreasing the Discounting Factor by probability weighted range, would change the FV by +INR 22.01 lakhs & -INR 20.83 lakhs (As at 31.3.23, +INR 19.90 lakhs & -INR 18.70 lakhs)
	(Refer Note below)	Investment in company engaged in the business of gas marketing - aggregate fair value of ₹ 4,117.20	Investment in company engaged in the business of gas marketing - aggregate fair value of ₹ 3,569.65	Level 3	10% +/- over base value(As at 31.3.23, 10% +/- over base value)	10% increase/Decrease over base value, would change FV by +INR 371.30 lakhs & -INR 373.65 lakhs. (As at 31.3.23, +INR 352.50 lakhs & -INR 350.15 lakhs)
	Note : Under this method the value of each business/assets/investment has been arrived separately and total value estimate for the company presented as the sum of all its business/assets/investment.					

Note 1 : The Group has invested in the equity instruments of various companies. However, the percentage of shareholding of the Group in such investee companies is very low and hence, it has not been provided with future projections including projected profit and loss account by those investee companies. Hence, the independent valuer appointed by the Group has estimated fair value based on available historical Annual Reports of such companies and other information as available in the public domain. Since the future projections are not available, discounted cashflow approach for fair value determination has not been followed.

Note 2 : In case of some companies, there are no comparable companies valuations available and some are recent start up companies. In light of no information available for future projections, capacity utilisation, commencement of operations, etc., the valuation is based on cost approach.

ii) Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during 2023-24 and 2022-23.

iii) Level 3 fair values

Reconciliation of Level 3 fair values

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values.

(` in lakhs)

Paticulars	Equity securities
Opening Balance (1 April 2023)	1,18,781.49
Net change in fair value (unrealised)	(18,611.61)
Purchases	-
Closing Balance (31 March 2024)	**1,00,169.88**

Transfer out of Level 3

There were no movement in level 3 in either directions during the year 2023-24 & 2022-23.

C. Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

i. Risk

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group manages market risk through a Financial risk management committee, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Audit cum finance committee and Board of Directors. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit cum finance committee oversees how management monitors compliance with the group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

ii. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade and other receivables

The Group's exposure to credit is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Revenue department has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, and in some cases bank references. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the Board of Directors.

Goods are sold subject to retention of title clauses, so that in the event of non-payment the Group may have a secured claim. The Group does not otherwise require collateral in respect of trade and other receivables.

The Group establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables. The provision matrix of ECL at the end of reporting period is as follows.

Particulars	Expected credit loss %
Within the credit Period	0.03%
1-90 days past due	0.37%
91-180 days past due	2.07%
181-270 days past due	6.91%
270-360 days past due	16.45%
360-450 days past due	33.29%
450-540 days past due	53.26%
540-630 days past due	72.94%
630-720 days past due	100.00%
More than 720 days past due	100.00%

Impairment

The ageing of trade and other receivables that were not impaired was as follows.

(` in lakhs)

Particulars	Carrying amount	
	March 31, 2024	March 31, 2023
Less than 6 Months	1,15,840.20	1,82,836.92
Past due 6 Months - 1 Year	19,405.97	19,226.25
Past due 1 Year - 2 Year	10,968.78	3,309.50
Past due 2 Year - 3 Year	1,983.69	54.20
Past due more than 3 Year	10,368.82	10,388.24
	1,58,567.47	**2,15,815.11**

Management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

Movement in expected credit loss allowance (` in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balance at the beginning of the year	7,044.36	7,128.86
Movement in the expected credit loss allowance on trade & other receivables calculated at lifetime expected credit losses.	47.65	(84.50)
	7,092.01	7,044.36

During the FY 2023-24, impairment provision was increased by ` 47.65 Lakhs whereas in FY 2022-23, impairment provision had reduced by INR 84.50 Lakhs.

Cash and cash equivalents

The Group held cash and cash equivalents of ` 53,259.28 Lakhs at March 31, 2024 (` 1,09,789.75 Lakhs at March 31, 2023). The cash and cash equivalents are held with approved scheduled banks.

Derivatives

The derivatives deals are done with AD category banks in OTC market and registered brokers in ETCD market.

iii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Financing facilities: (` in lakhs)

Particulars	As at 31-03-2024	As at 31-03-2023
a) Secured cash credit, reviewed annually		
- amount used	-	-
- amount unused	30,000.00	30,000.00
b) Unsecured commercial papers, reviewed annually		
- amount used	-	-
- amount unused	1,00,000.00	1,00,000.00
c) Unsecured working capital demand loan, reviewed annually		
- amount used	250.45	-
- amount unused	84,749.55	1,10,000.00

Exposure to liquidity risk

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payment as at 31st March 2024.

(` in lakhs)

March 31, 2024	Contractual cash flows				
	Carrying amount	Less than 1 year	1-2 years	2-5 years	More than 5 years
INR					
Non-derivative financial liabilities					
Working capital loans from banks	250.45	250.45	-	-	-
Lease Liabilities	260.42	108.30	152.12	-	-
Trade payables	79,852.36	79,852.36	-	-	-
Other current financial liabilities	29,682.89	29,682.89	-	-	-
Derivative financial liabilities					
Derivative contracts					
- Outflow	-	-	-	-	-

March 31, 2023	Contractual cash flows				
	Carrying amount	Less than 1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities					
Working capital loans from banks	-	-	-	-	-
Lease Liabilities	238.85	90.62	148.23	-	-
Trade payables	63,904.41	63,904.41	-	-	-
Other current financial liabilities	25,139.93	25,139.93	-	-	-
Derivative financial liabilities					
Derivative contracts					
- Outflow	15.75	15.75	-	-	-

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments.Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Group is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of Group's investments. Thus, Group's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to control the financial risks associated with the Foreign Exchange/Currency rate movements through a sophisticated Foreign Exchange Risk Management System.

Currency risk

The Group is exposed to currency risk on account of its import payables and borrowings in foreign currency. The functional currency of the Group is Indian Rupee. The Group uses forward exchange contracts, Options and futures to hedge its currency risk, most with a maturity of less than one year from the reporting date.

The Group is using derivative instruments which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables and receivables.

Exposure to currency risk

The currency profile of financial assets and financial liabilities was as below: (` in lakhs)

Particulars	March 31, 2024			
	INR	USD[1]	CAD[1]	Others[1]
Financial assets				
Cash and cash equivalents	53,229.27	-	-	-
Other bank balances	1,77,067.25	-	-	-
Non-current investments	5,98,494.52	-	3,041.46	-
Current loans and advances	25,886.96	-	-	-
Trade and other receivables	1,55,120.10	3,447.37	-	-
Derivative assets	43.48	-	-	-
Other Non-Current financial assets	8,553.71	-	-	-
Other Current financial assets	8,144.55	-	-	-
	10,26,539.84	**3,447.37**	**3,041.46**	**-**
Financial liabilities				
Short term borrowings	250.45	-	-	-
Lease Liabilities	260.42	-	-	-
Trade and other payables	71,249.09	8,422.47	(7.75)	188.55
Other Current financial liabilities	29,682.84	-	-	0.05
	1,01,442.80	**8,422.47**	**(7.75)**	**188.60**

(` in lakhs)

Particulars	March 31, 2023			
	INR	USD[1]	CAD[1]	Others[1]
Financial assets				
Cash and cash equivalents	1,09,789.75	-	-	-
Other bank balances	34,186.78	-	-	-
Non-current investments	5,29,479.94	-	3,469.53	-
Current loans and advances	24,793.53	-	-	-
Trade and other receivables	2,14,384.88	1,243.13	-	187.10
Derivative assets	-	-	-	-
Other Non-Current financial assets	3,017.89	-	-	-
Other Current financial assets	1,318.24	-	-	-
	9,16,971.01	**1,243.13**	**3,469.53**	**187.10**
Financial liabilities				
Long term borrowings	-	-	-	-
Short term borrowings	-	-	-	-
Lease Liabilities	238.85	-	-	-
Trade and other payables	57,189.17	6,647.00	-	68.24
Derivative liabilities	-	15.75	-	-
Other Current financial liabilities	25,070.14	-	-	69.79
	82,498.15	**6,662.75**	**-**	**138.04**

1 - The figures are in INR Equivalent of respective currency

The following significant exchange rates have been applied during the year.

	Year-end spot rate	
INR	**March 31, 2024**	**March 31, 2023**
USD	83.37	82.22
CAD	61.98	61.33

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollars at 31st March would have affected the measurement of financial instruments denominated in US dollars and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(` in lakhs)

	31 March 24		31 March 23	
Effect in INR	**Strengthening**	**Weakening**	**Strengthening**	**Weakening**
10% movement				
USD	2,149.06	(1,228.04)	(249.95)	991.40
CAD	304.15	(304.15)	346.95	(346.95)

42. Research & Development Expenses

(` in lakhs)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Capital*	59.07	78.55
Recurring**	1,274.28	975.18
Total	**1,333.35**	**1,053.73**
*Capital Expenses included in PPE Note No. 5	59.07	78.55
**Recurring Expenses included in		
Note No. 33 Employee Benefit expenses	1,243.29	958.21
Note No. 35 Other expenses	30.99	16.97

43. Corporate Social Responsibility

(` in lakhs)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
a) Amount required to be spent by the group during the year	2,159.28	1,215.80
b) Amount of expenditure incurred #	1,580.87	1,215.86
c) Shortfall at the end of the year *	578.41	-
d) Total of previous year shortfall	-	-
e) Reason for shortfall	ongoing projects	NA
f) Nature of CSR activities	Education, Safe Drinking Water, Rural Development Projects	Education, Health, Safe Drinking Water, Rural Development Projects
g) Details of related party transactions (Donation to GSFC Education Society & GSFC Science Foundation)**	902.94	918.25
h) Provision is made with respect to a liability incurred by entering into a contractual obligation	NA	NA

* As at March 31, 2024, ` 578.41 lakhs (refer note no. 27) towards unspent CSR amount for various ongoing projects is transferred to separate bank account within 30 days from close of financial year and the same is included under the head Donation and Contribution in Other Expense (Note No. 35)

` 1,580.87 lakhs includes ` 1144.57 Lakhs accounted under the head Donations and Contributions in Other Expenses (Note No. 35), ` 229.46 Lakhs accounted under various other heads of the Statement of Profit & Loss and ` 206.84 Lakhs set-off from excess CSR spending during earlier years. (In FY 2022-23, ` 1215.86 lakhs included ` 991.19 Lakhs accounted under the head Donations and Contributions in Other Expenses (Note No. 35) and ` 224.67 Lakhs accounted under various other heads of the Statement of Profit & Loss)

** Refer Note no 39 for Related Party Transactions.

44. Details on derivative instruments and unhedged foreign currency exposure

(I) (a) Forward exchange contracts and options(being derivitive instruments) which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables and receivables.

(i) Outstanding forward exchange contracts entered into by the Group as on 31 March, 2024

Currency	Amount (in Mn)	Buy / Sell	Cross currency
USD	8.00	Buy	Rupees
USD	(0.00)	Buy	Rupees

Note: Figures in brackets relate to the previous year

(b) Currency Futures (other than forward exchange contracts stated above) which are not intended for trading or speculative purposes but for hedge purposes to hedge against fluctuations in changes in exchange rate.

Currency	Amount (in Mn)	Buy / Sell	Cross currency
USD	3.73	Buy	Rupees
USD	14.00	Buy	Rupees

Note: Figures in brackets relate to the previous year

(II) The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise, represented in equivalent USD: USD 20.27 Mn (As at March 31, 2023: USD 2.84 Mn)

45. Ind As 115 : Revenue from Contracts with Customers

The Group generates revenue primarily from manufacturing of Fertilizers and Chemical Products. The Group has recognised revenue by satisfying its performance obligations at a point of time basis. The revenue from contracts with customers to the amounts disclosed as total revenue are as under:

(` in lakhs)

Particulars	Year end 31st March, 2024	Year end 31st March, 2023
Revenue from Contract with Customers	5,62,125.86	5,55,837.73
Revenue from Subsidy from Government	3,53,338.54	5,81,031.69
Total Revenue	**9,15,464.41**	**11,36,869.41**

The break-up of Revenue from Contract with Customers is as under:

(A) Revenue from Contract with Customers – Segment-wise (` in lakhs)

Particulars	Year end 31st March, 2024	Year end 31st March, 2023
Fertilizer Products	6,83,462.26	8,84,023.45
Industrial Products	2,32,002.15	2,52,845.96
Total Revenue	**9,15,464.41**	**11,36,869.41**

(B) Revenue from Contract with Customers – Activity-wise (` in lakhs)

Particulars	Year end 31st March, 2024	Year end 31st March, 2023
Revenue generated from Manufacturing Activity	7,85,550.86	9,80,636.71
Revenue generated from Trading Activity	1,28,323.39	1,54,306.82
Revenue generated from Other Operating Activity	710.17	1,342.72
Revenue generated from Sale of Service	879.98	583.16
Total Revenue	**9,15,464.41**	**11,36,869.41**

(C) Contract Liability: (` in lakhs)

Particulars	Year end 31st March, 2024	Year end 31st March, 2023
Opening Balance of Contract Liability	1,860.89	1,572.51
Revenue Recognised from the opening balance of contract liability	1,860.89	1,419.54
Current year Contract liability - Carried Forward	1,459.22	1,707.92
Closing Balance of Contract Liability	1,459.22	1,860.89

The nature of services and its disclosure of timing of satisfaction of performance obligation is mentioned in para 3.1 of Note No 3. There are no contract assets in the Balance Sheet. Contract Liabilities in the Balance Sheet constitutes advances from customers. The Group expects to recognise such revenue in the next financial year. There were no significant changes in contract liabilities during the reporting period except amount as mentioned in the table and explanation given above.Under the payment terms generally applicable to the Group's revenue generating activities, prepayments are received only to a limited extent. Typically, payment is due upon or after completion of delivery of the goods.

46. Other Statutory Disclosures:

i. The Company does not have any Immovable Property whose title deeds are not held in the name of the Company.

ii. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

iii. The Company has not been declared as a wilful defaulter by any lender who has powers to declare a company as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when financial statements are approved.

iv. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediaries shall:

(a) directly or indirectly lend or invest in other persons or entities identifed in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

v. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

vi. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

vii. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

viii. The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.

ix. The Company does not have any transaction which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

x. Disclosure as per regulation 34(3) and 53(f) of Securities and Exchange Board of India (listing obligations and disclosures requirements) regulations, 2015:

a) Loans & Advances in the nature of loans to subsidiaries is ` Nil (PY: ` Nil)

47. Details of Struck-off companies

Name of Struck off company	Nature of transactions with Struck-off Company	Relationship with the Struck off company, if any, to be disclosed	Balance Outstanding as at March 2024 (` Lakhs)	Balance Outstanding as at March 2023 (` Lakhs)
OM TRADING COMPANY PRIVATE LIMITED	Receivables	NA	2.29	2.29
CLICKFORSTEEL SERVICES LIMITED		NA	3.51	3.51
HP ENTERPRISES PRIVATE LIMITED *		NA	0.67	0.67
A.V.U. ENGINEERS PVT.LTD	Payables	NA	1.98	1.98
RTC AGRI SERVICES PRIVATE LIMITED *		NA	0.28	0.28

48. Other Matters

(i) With respect to Fibre Unit and Polymer Unit, the Net Realizable Value of the Units is higher compared to its carrying value as on March 31, 2024.

(ii) Previous year figures are regrouped / reclassified wherever required in order to make it comparable.

(iii) Balances of certain Sundry Creditors, Sundry Debtors, Loans & advances, etc. are subject to confirmation and reconciliation. The management does not expect any material difference affecting financial statement on such reconciliation/adjustment.

(iv) The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to the financial statements to determine the necessity for recognition and / or reporting of any of these events and transactions in the financial statements. As of 21st May, 2024 there were no subsequent events to be recognized or reported that are not already disclosed.

49. Interest in other entities

a) Subsidiaries

The Company's subsidiaries at 31 March 2024 are set out below. They have share capital consisting solely of equity shares that are held directly by the Company, and the proportion of ownership interests held equals the voting rights held by the Company. The country of incorporation or registration is also their principal place of business.

Name of Entity	Place of business	% of ownership interest		Principal activities
		31 March 2024	31 March 2023	
GSFC Agrotech Limited (GATL)	India	100.00%	100.00%	Trading of Agro inputs
Gujarat Port & Logistics Company Ltd.	India	60.00%	60.00%	Providing Port & Logistics related Service
Vadodara Jalsanchay Pvt. Ltd.	India	60.00%	60.00%	Treatment and supply of waste water

b) Associates

Set out below are the associates of the Company as at 31 March 2024 which, in the opinion of the directors, are material to the Company. The entities listed below have share capital consisting solely of equity shares, which are held directly by the Company. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

(` in Lakhs)

Name of Entity	Place of business	% of ownership interest	Relationship	Accounting method	Carrying Amount		Quoted fair values	
					31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Vadodara Enviro Channel Limited (note 1)	India	28.57%	Associate	Equity Method	91.78	66.47	*	*
Gujarat Green Revolution Company Limited (note 2)	India	46.87%	Associate	Equity Method	11,192.13	9,961.83	*	*
Karnalyte Resources Inc (note 3)	Canada	47.73%	Associate	Equity Method	1,623.36	2,051.43	3,941.08	3,899.75
Total equity accounted investments					**12,907.27**	**12,079.72**	**3,941.08**	**3,899.75**

* Unlisted entity - no quoted price available

1. Vadodara Enviro Channel Limited was formed to administer the safe disposal of treated wastewater through Effluent Channel Project.
2. Gujarat Green Revolution Company Limited (GGRCL) is appointed as a nodal agency by Government of Gujarat, for passing on the subsidy received from the State and the Central Government for installation of Micro Irrigation System (MIS) to farmers in the State of Gujarat.
3. Karnalyte Resources Inc is engaged in development of its property and planned construction of a production facility and development of a potash mine.

Commitments and contingent liabilities in respect of associates (` in Lakhs)

Particulars	31 March 2024	31 March 2023
Contingent liabilities - associates	10,310.80	11,419.83

Summarised financial information for associate

The tables below provide summarised financial information for those associates that are material to the Company. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and not the Company's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments made at the time of acquisition and modifications for differences in accounting policies.

(` in Lakhs)

Particulars	31 March 2024			31 March 2023		
	KRI	VECL	GGRCL	KRI	VECL	GGRCL
Total current assets	1683.38	3,125.84	86,935.14	2,495.52	2,826.79	68,805.23
Total non-current assets	3509.31	1,732.29	1,399.20	3,478.02	1,957.35	1,254.98
Total current liabilities	354.53	765.74	64,235.17	559.33	678.70	48,651.22
Total non-current liabilities	817.52	415.27	145.36	818.14	435.89	73.09
Adjustment-Member' Capital Contribution & Capital Reserve	-	3,988.82	-	-	3,988.82	-
Net Assets	**4,020.64**	**(311.70)**	**23,953.81**	**4,596.07**	**(319.27)**	**21,335.90**

Reconciliation to carrying amounts

(` in Lakhs)

Particulars	31 March 2024			31 March 2023		
	KRI	VECL	GGRCL	KRI	VECL	GGRCL
Net assets	4,020.64	(311.70)	23,953.81	4,596.07	(319.27)	21,335.90
Company's Share in %	47.73%	28.57%	46.87%	47.73%	28.57%	46.87%
Company's Share in ` lakh	1,919.21	(89.05)	11,227.49	2,193.89	(91.22)	10,000.44
Adjustment	(295.85)	180.83	(35.36)	(142.46)	157.68	(38.61)
Carrying amount	**1,623.36**	**91.78**	**11,192.13**	**2,051.43**	**66.47**	**9,961.83**

Summarised statement of profit and loss

(` in Lakhs)

Particulars	31 March 2024			31 March 2023		
	KRI	VECL	GGRCL	KRI	VECL	GGRCL
Revenue	-	1,446.78	839.91	-	1,597.86	572.36
Profit for the year	(896.78)	5.67	2,650.86	(1,029.66)	70.00	1,641.01
Other comprehensive income	-	1.89	(2.82)	-	-	(1.12)
Total comprehensive income	**(896.78)**	**7.56**	**2,648.04**	**(1,029.66)**	**70.00**	**1,639.89**
Dividend received	-	-	12.50	-	-	12.50

50. ADDITIONAL INFORMATION REQUIRED BY SCHEDULE III

(` in Lakhs)

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated net profit/ (loss)	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Parent								
Gujarat State Fertilizers and Chemicals Limited								
31 March 2024	98.48%	12,53,410.72	99.15%	55,924.99	100.00%	52,154.36	99.56%	1,08,079.35
31 March 2023	98.43%	11,85,116.65	99.24%	1,25,632.24	100.00%	(89,863.21)	97.39%	35,769.03
Subsidiaries								
Indian								
GSFC Agrotech Limited								
31 March 2024	0.50%	6,315.06	-0.62%	(348.81)	0.00%	2.12	-0.32%	(346.69)
31 March 2023	0.56%	6,711.75	0.52%	654.74	0.00%	1.16	1.79%	655.90
Vadodara Jal Sanchay Private Limited								
31 March 2024	0.01%	124.38	0.01%	3.07	0.00%	-	0.00%	3.07
31 March 2023	0.01%	121.31	0.00%	2.47	0.00%	-	0.01%	2.47
Gujarat Port and Logistics Company Limited								
31 March 2024	0.01%	72.55	-0.07%	(42.15)	0.00%	-	-0.04%	(42.15)
31 March 2023	0.01%	114.70	0.00%	2.22	0.00%	-	0.01%	2.22
Non Controlling Interest in above subsidiaries								
31 March 2024	-0.01%	(131.27)	0.05%	26.05	0.00%	-	0.02%	26.05
31 March 2023	-0.01%	(157.34)	0.00%	(3.12)	0.00%	-	-0.01%	(3.12)
Associates (Investments as per the equity method)								
Indian								
Vadodara Enviro Channel Limited								
31 March 2024	0.01%	91.78	0.04%	25.31	0.00%	-	0.02%	25.31
31 March 2023	0.01%	66.47	0.02%	22.45	0.00%	-	0.06%	22.45
Gujarat Green Revolution Company Limited								
31 March 2024	0.88%	11,192.13	2.21%	1,244.12	0.00%	-1.32	1.14%	1,242.80
31 March 2023	0.83%	9,961.83	0.61%	769.16	0.00%	-0.52	2.09%	768.64
Foreign								
Karnalyte Resources Inc.								
31 March 2024	0.13%	1,623.36	-0.76%	(428.07)	0.00%	-	-0.39%	(428.07)
31 March 2023	0.17%	2,051.43	-0.39%	(491.50)	0.00%	-	-1.34%	(491.50)
Total								
31 March 2024	**100.00%**	**12,72,698.71**	**100.00%**	**56,404.51**	**100.00%**	**52,155.16**	**100.00%**	**1,08,559.67**
31 March 2023	**100.00%**	**12,03,986.79**	**100.00%**	**1,26,588.66**	**100.00%**	**(89,862.58)**	**100.00%**	**36,726.08**

Signatures to Notes 1 to 50 forming the part of the Financial Statements.

In terms of our report attached.

For **Parikh Mehta & Associates**
Chartered Accountants
Firm Registration No.: 112832W

Tejal Parikh
Partner
Membership No.: 109600

Kamal Dayani
Managing Director
(DIN-05351774)

Tapan Ray
Director
(DIN-00728682)

V. D. Nanavaty
ED (Finance) & CFO

Nidhi Pillai
Company Secretary

Gandhinagar
21st May, 2024

ANNEXURE "A" TO THE CONSOLIDATED FINANCIAL STATEMENT

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A" : Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in `)

		Amount in `
1	Serial No.	1
2	Name of the subsidiary	GSFC Agrotech Limited
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Not Applicable
5	Share capital (as on 31.03.2024)	20,00,00,000
6	Reserves & surplus (as on 31.03.2024)	43,15,07,946
7	Total assets (as on 31.03.2024)	1,50,51,02,640
8	Total Liabilities (as on 31.03.2024)	87,35,94,694
9	Investments (as on 31.03.2024)	-
10	Turnover (FY 2023-24)	4,44,83,21,700
11	Profit before taxation (FY 2023-24)	(3,54,69,407)
12	Provision for taxation (FY 2023-24)	(5,89,795)
13	Profit after taxation (FY 2023-24)	(3,48,79,612)
14	Proposed Dividend (FY 2023-24)	Not available
15	% of shareholding (as on 31.03.2024)	100% (with nominees)

	Notes: The following information shall be furnished at the end of the statement:	
1	Names of subsidiaries which are yet to commence operations	1) Vadodara Jal Sanchay Private Limited 2) Gujarat Port and Logistics Company Limited

In terms of our report attached.

For **Parikh Mehta & Associates**
Chartered Accountants
Firm Registration No.: 112832W

Tejal Parikh
Partner
Membership No.: 109600

Kamal Dayani
Managing Director
(DIN-05351774)

Tapan Ray
Director
(DIN-00728682)

V. D. Nanavaty
ED (Finance) & CFO

Nidhi Pillai
Company Secretary

Gandhinagar
21st May, 2024

ANNEXURE “A” TO THE CONSOLIDATED FINANCIAL STATEMENT (Contd.)

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

	Name of Associates	Gujarat Green Revolution Limited	Vadodara Enviro Channel Limited	Gujarat Data Electronics Limited	Karnalyte Resources Inc.
1	**Latest audited Balance Sheet Date**	31st March, 2024	31st March, 2023	Not available	31st December, 2023
2	**Shares of Associates held by the company on the year end**				
	No.	12,50,000	14,302	1,15,000	2,54,34,558
	Amount of Investment in Associates (`)	1,25,00,000	20	11,50,000	2,66,84,94,819
	Extend of Holding %	46.87%	28.57%	23.00%	47.73%
3	**Description of how there is significant influence**	Holding more than 20% of the total capital	Holding more than 20% of the total capital	Holding more than 20% of the total capital	Holding more than 20% of the total capital
4	**Reason why the associate is not consolidated**	Not Applicable	Not Applicable	Financial statements are not available and 100% provision for diminution in value of investment has been accounted in the books of GSFC Ltd.	Not Applicable
5	**(i) Networth attributable to Shareholding as per latest audited Balance Sheet**	1,12,27,49,094	(89,05,741)	Not available	19,65,96,937
	(ii) Networth attributable to Shareholding as per unaudited Balance sheet as on 31/03/2024 (`) *	1,12,27,49,094	(71,21,900)	Not available	19,19,21,218
6	**Unaudited Profit / Loss for the FY 2023-24 (`)**	26,50,86,000	56,81,017	Not available	(8,96,77,670)
	i. Considered in Consolidation (`)	26,50,86,000	56,81,017	Not available	(8,96,77,670)
	ii. Not Considered in Consolidation (`)	-	-	Not available	-

1. Names of associates or joint ventures which are yet to commence operations.	None
2. Names of associates or joint ventures which have been liquidated or sold during the year.	None

* Audited figures considered in for Gujarat Green Revolution Limited as at 31.03.2024

In terms of our report attached.

For **Parikh Mehta & Associates**
Chartered Accountants
Firm Registration No.: 112832W

Tejal Parikh
Partner
Membership No.: 109600

Kamal Dayani
Managing Director
(DIN-05351774)

Tapan Ray
Director
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V. D. Nanavaty
ED (Finance) & CFO

Nidhi Pillai
Company Secretary

Gandhinagar
21st May, 2024

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GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED

NOTES

EMPOWERING FARMERS THROUGH IMPARTING KNOWLEDGE

In line with our commitment to social responsibility and sustainable development, our organization has consistently supported the Pradhan Mantri Kisan Samridhi Kendra (PMKSK) scheme.

The Gujarat State Fertilizers and Chemicals Ltd (GSFC) has successfully developed total no. of 5017 "Pradhan Mantri Kisan Samridhi Kendra" (PMKSK) and further in process of developing 300 more. The main objective of PMKSK is to encourage the farmers to make agriculture as a profitable business with technical knowledge.

Farmers are the backbone of our food system, but they face a complex set of challenges. Agricultural education helps farmers to understand market dynamics and consumer preferences. This knowledge enables them to make informed decisions about crop selection, production volumes, and marketing strategies. But for that farmers need continues flow of knowledge through various training programmes.

At GSFC, we recognize our responsibility towards the farming community across India. Our efforts extend beyond business; they embody a deep-seated commitment to social welfare. Through timely and efficient services, we strive to empower farmers with the tools and resources they need to thrive. From providing high-quality fertilizers to imparting essential agricultural knowledge, GSFC stands shoulder to shoulder with our farming associates.

To further this commitment, we regularly conduct farmer's meetings through various PMKSK and Retailer meeting at PMKSK in all the states where our market presence is there. These meetings were aimed at raising awareness among farmers about use of balanced fertilisers mainly sulphur containing fertilizer like AS & APS and enhancing the use of organic fertilizer.

Through these meetings, we empower farmers with knowledge, support, and opportunities for growth while ensuring that they get all their requirement at PMKSK. By addressing these needs, we can create a more supportive environment for farmers and ensure a sustainable and secure food system for everyone. Together, let's cultivate not just crops but also prosperity and resilience for every farmer in our nation.

WINGS OF PROGRESS

GSFC's State-of-the-art Journey to Empower Rural India through Viksit Bharat Sankalp Yatra

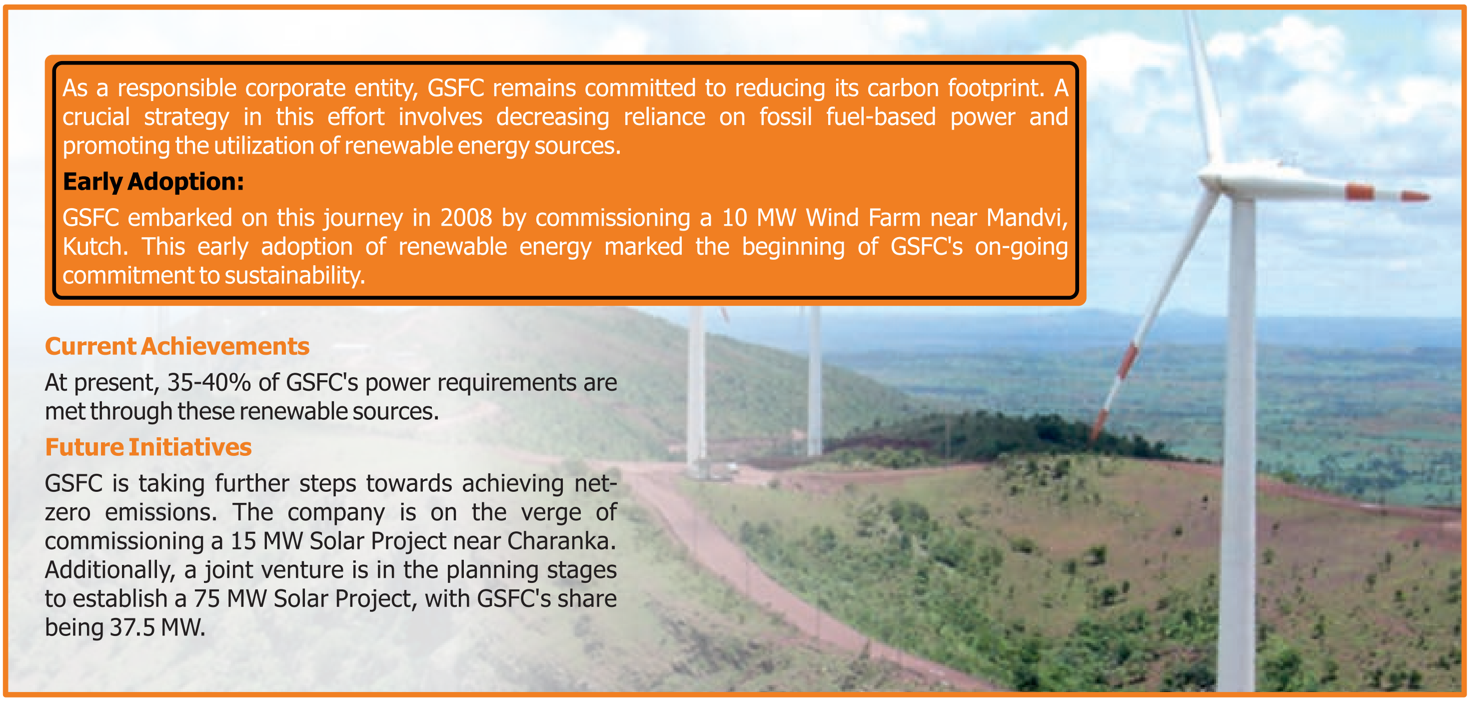
The Viksit Bharat Sankalp Yatra, inaugurated by the Honourable Prime Minister on November 15, aims to transform national development across India. This initiative enhances the impact of Central government schemes, including sanitation, financial services, electricity, LPG access, housing, food security, and healthcare. It targets over 2.55 lakh Gram Panchayats and more than 3,600 urban local bodies by January 25, 2024.

GSFC's Drone Revolution in Rural Empowerment

GSFC is a key player in this initiative, leveraging drone technology to empower rural communities. Engaging in extensive drone demonstrations across Gujarat and three Union Territories, GSFC showcases the potential of drones in agriculture, covering tasks like crop mapping, soil analysis, irrigation, and pest management. These demonstrations highlight benefits such as improved efficiency, early issue detection; enhanced crop yields, reduced labour costs, and minimized pesticide use. A workforce of over 60 Rath Coordinators and 18 district coordinators has enabled approximately 1,70,000 farmers from 8,140 Gram Panchayats to witness the transformative impact of drone technology.

GSFC has Proudly Trained and Equipped 20 Namo Drone Didi from 17 Districts of Gujarat

GSFC'S COMMITMENT IN REDUCING CARBON FOOTPRINT



As a responsible corporate entity, GSFC remains committed to reducing its carbon footprint. A crucial strategy in this effort involves decreasing reliance on fossil fuel-based power and promoting the utilization of renewable energy sources.

Early Adoption:

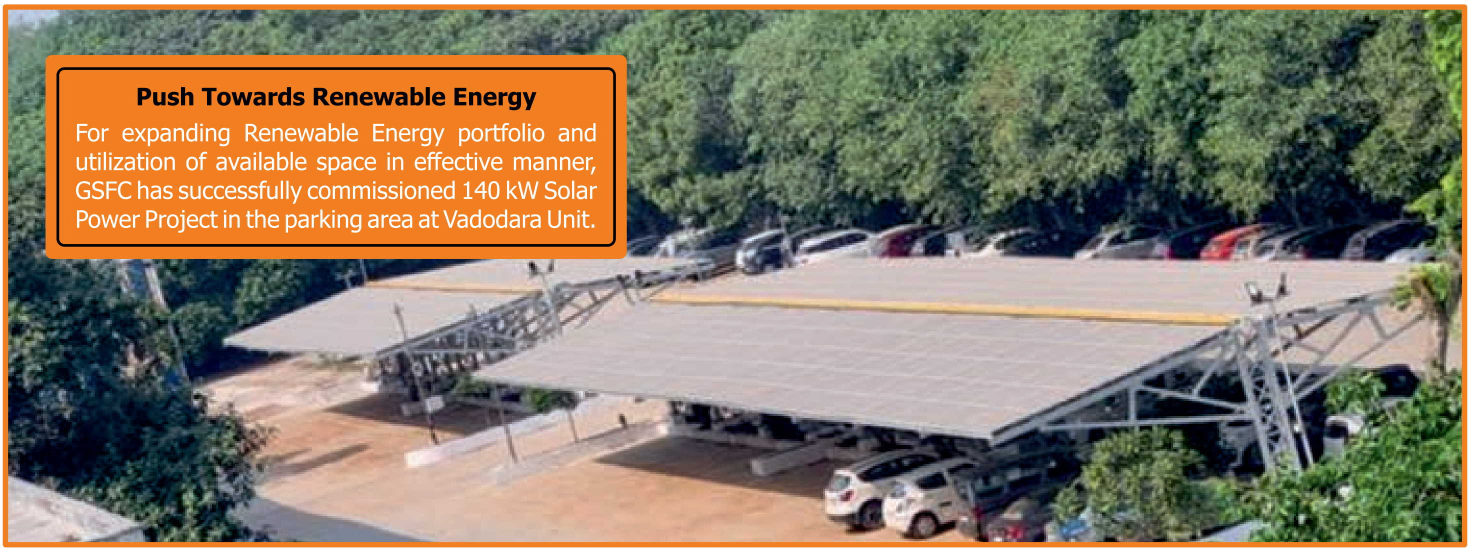
GSFC embarked on this journey in 2008 by commissioning a 10 MW Wind Farm near Mandvi, Kutch. This early adoption of renewable energy marked the beginning of GSFC's on-going commitment to sustainability.

Current Achievements

At present, 35-40% of GSFC's power requirements are met through these renewable sources.

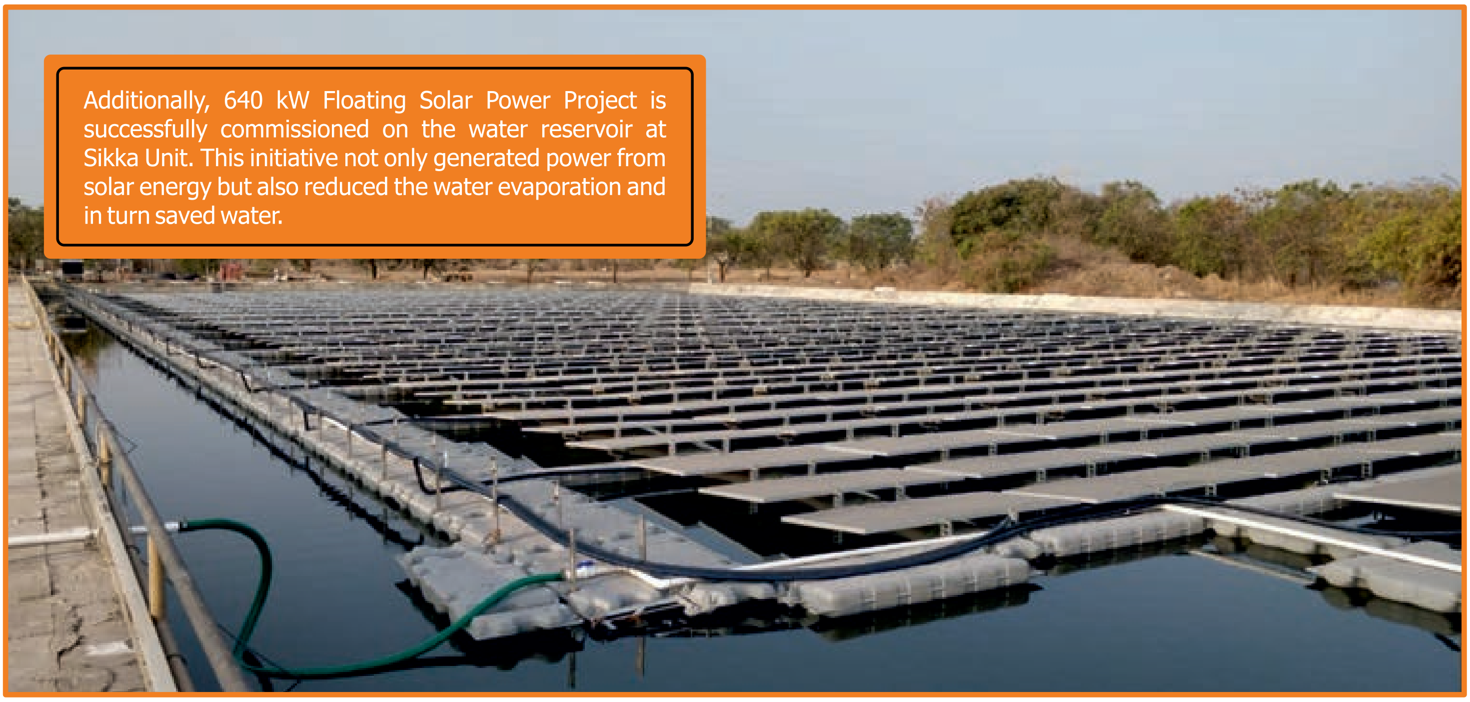
Future Initiatives

GSFC is taking further steps towards achieving net-zero emissions. The company is on the verge of commissioning a 15 MW Solar Project near Charanka. Additionally, a joint venture is in the planning stages to establish a 75 MW Solar Project, with GSFC's share being 37.5 MW.



Push Towards Renewable Energy

For expanding Renewable Energy portfolio and utilization of available space in effective manner, GSFC has successfully commissioned 140 kW Solar Power Project in the parking area at Vadodara Unit.



Additionally, 640 kW Floating Solar Power Project is successfully commissioned on the water reservoir at Sikka Unit. This initiative not only generated power from solar energy but also reduced the water evaporation and in turn saved water.

GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED

CIN : L99999GJ1962PLC001121

Fertilizernagar - 391 750, Vadodara, Gujarat, India.

www.gsfclimited.com

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