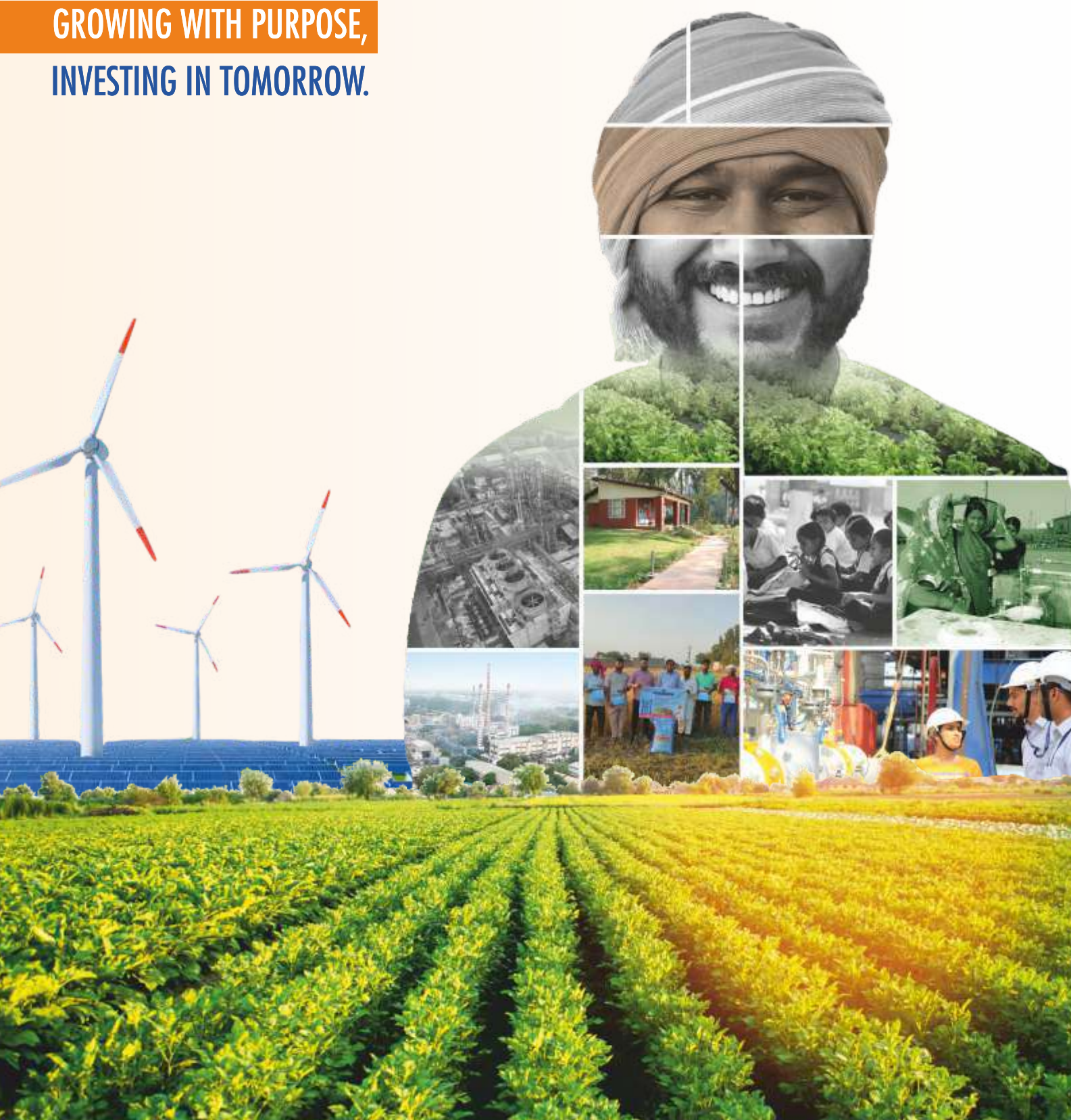


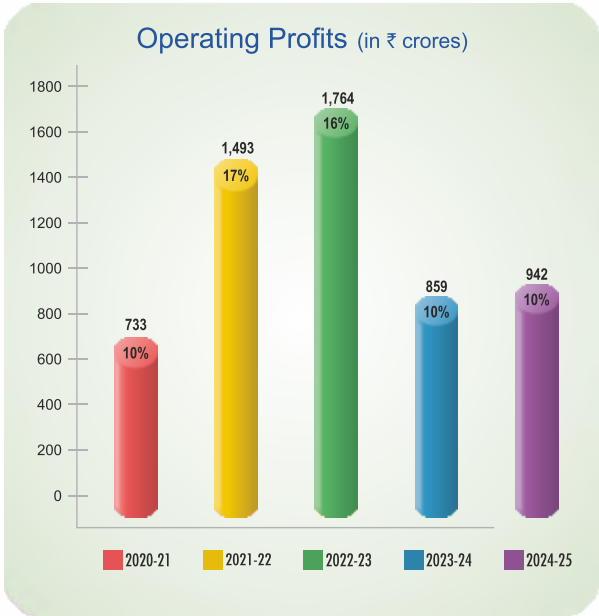
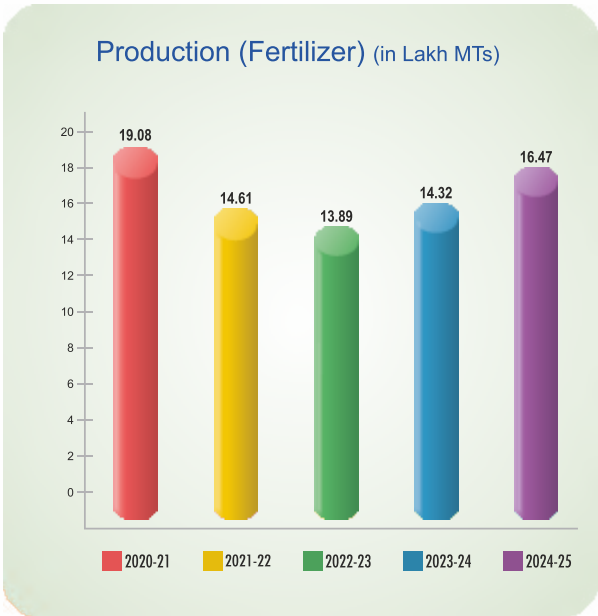
63rd ANNUAL REPORT
2024-2025



**GROWING WITH PURPOSE,
INVESTING IN TOMORROW.**

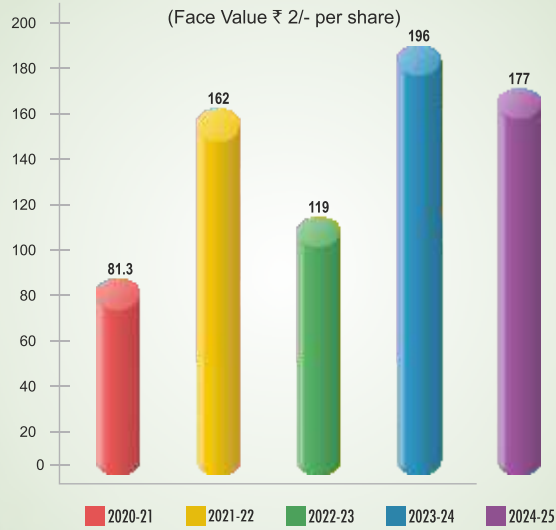


PERFORMANCE HIGHLIGHTS



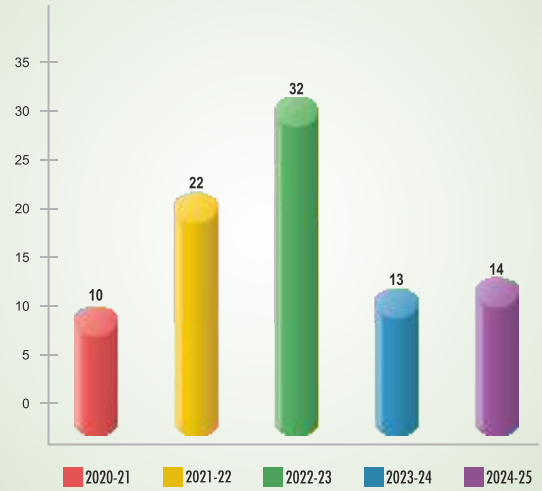
Market Price Per Share

(Face Value ₹ 2/- per share)

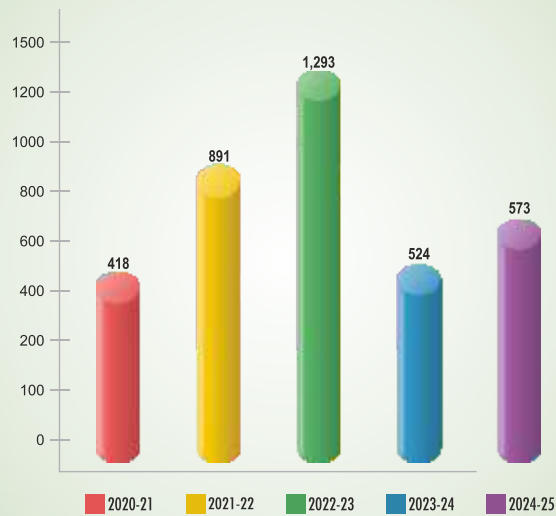


Earning Per Share

(Face Value ₹ 2/- each)

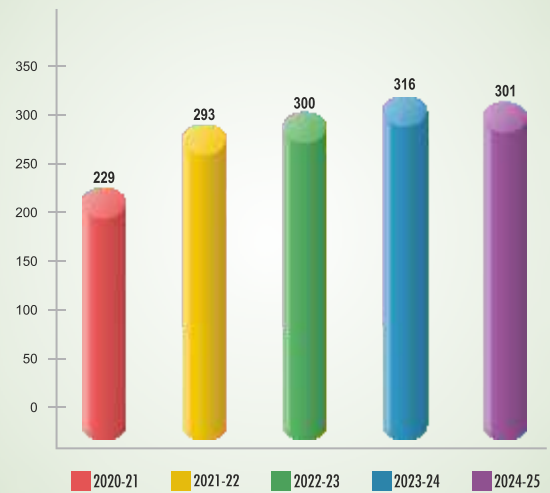


Profit After Tax (in ₹ in crores)



Book value per share

Amt in ₹ (face value of ₹ 2/- each)



UREA-II REVAMPING PROJECT

56 year old Urea-II plant revamping project was initiated to reduce energy consumption in line with government-mandated norms and to enhance the reliability and safety of the vintage plant. The revamp was carried out under the process license and know-how provided by Casale, Switzerland. The plant has been commissioned successfully.



GSFC'S INITIATIVE TOWARDS GREEN ENERGY

37.5 MW Solar Power Plant:



75 MW Solar Power Project has been conceptualized under group captive mode with GIPCL & GACL, wherein GSFC has been allotted 50% of generation capacity, i.e. 37.5 MW. Project has been successfully commissioned and GSFC is expected to receive average about 8 Crore Units of Renewable Energy annually from the joint endeavour with GIPCL & GACL.

15 MW SOLAR POWER PLANT:

15 MW Ground Mounted Solar Power Project has been successfully commissioned at Gujarat Solar Park, Charanka. The project is expected to generate average about 3 Crore Units of Renewable Energy annually.



600 MTPD SULPHURIC ACID V PROJECT



600 MTPD Sulphuric Acid-V (SA-V) Project, which has been conceptualized to meet the increasing raw material requirements for GSFC's expanding product basket. In addition, the project is designed to optimize the steam network of the complex, with steam being generated as a by-product. This will contribute to a reduction in Natural Gas consumption for steam production and accordingly it will reduce the overall energy cost.

GSFC NAMO DRONE DIDI BECAME LAKHPATI DIDI



Under CRS initiative, GSFC has provided 20 drones to SHG women in various districts of Gujarat under Nammo Drone Didi Scheme. These drones are helping to enhance agricultural productivity through efficient spraying of fertilizers and pesticides as well as all of these Didis are generating good income using these drones. Among these Drone Didis, **Ms Miraben Rathod from Nani Paniari, Bhavnagar** has emerged as a standout success, earning over Rs.1 lac and achieving the distinction of becoming a **Lakhpati Drone Didi** just within short time. In recognition of her accomplishments, she was honoured with an invitation to the Republic Day function in New Delhi on 26th January 2025 and interaction about here success story with Hon Minister of Agriculture and Farmers Welfare of India

RECOGNIZED FOR EXCELLENCE IN SAFETY, INNOVATION & OPERATIONS



• World Safety Organization (WSO) – Gold 4 Star Trophy

Awarded in 2023, 2024 and 2025 for Outstanding OHSE (Occupational Health, Safety & Environment) performance at the Baroda Unit.

• CII - EXIM Bank Business Excellence Award

Recognition for GSFC's continuous improvements in quality, operations, and stakeholder satisfaction.

• FICCI Safety Systems Excellence Awards

Honoured for implementing robust safety systems and employee - centric safety culture.

• Greentech Foundation Awards

Accolades for excellence in environment management, safety, and CSR initiatives.

• Other Recognitions

Multiple certifications and honours across energy efficiency, product innovation, and sustainable practices.

MILESTONES & GROWTH STORY

From Legacy to Leadership : The Vadodara Unit Journey



PRODUCTS

Strengthening Agriculture & Delivering Industrial Progress

AGRO PRODUCTS

SARDAR AMIN GRANULES & LIQUID:

Biostimulant which improves ability to tolerate stress & enhance plant growth.



BIO-FERTILIZERS:

Eco-friendly microbial inputs improving soil health and yield.



PHOSPHATE RICH ORGANIC MANURE (PROM):

Organic source of Phosphate nutrient



WATER SOLUBLE FERTILIZERS (WSFS):

Targeted nutrition through foliar and drip applications.



CALCIUM NITRATE (CN):

Fast-acting nitrogen fertilizer ideal for diverse crops.



GYPSUM:

Circular product supplementing secondary and micronutrient for soil enrichment.



PRODUCTS

Strengthening Agriculture & Delivering Industrial Progress

FERTILIZERS

AMMONIUM PHOSPHATE SULPHATE (20:20:0:13):

Power of Balanced Nitrogen, Phosphorus & Sulphur for enhancing yield.



AMMONIUM SULPHATE (AS):

Double Power- Enriching soil with high quality Nitrogen & Sulphur.



NPKs:

Complex fertilizers providing essential nutrients in balanced proportion.



DIAMMONIUM PHOSPHATE (DAP):

Concentrated phosphate fertilizer providing essential nutrient for root growth.



NEEM COATED UREA:

Cost effective Nitrogen fertilizer boosting farm productivity.



PRODUCTS

Strengthening Agriculture & Delivering Industrial Progress



APPLICATION DEVELOPMENT CENTER (ADC)

- ADC is equipped with state-of-the-art testing & development facility for Nylon-6/66. It serves as a customer service center, providing technical support and knowledge dissemination to various customer segments.

FARMER ENGAGEMENT & PROMOTIONAL INITIATIVES

Educating. Empowering. Enriching Agriculture.

NATIONWIDE OUTREACH

- Conducted 1,386 farmer meetings and 125 campaign days across India in FY 2024–25.
- Focused on sustainable agriculture and balanced use of fertilizer.



Knowledge-first approach

- Highlighted products like Ammonium Sulphate, APS and Water-Soluble Fertilizers.
- Prioritized farmer education over sales promotions.

ALIGNED WITH PM-PRANAM

- Promoted balanced nutrient management in support of the PM-PRANAM Mission.
- Advocated reduction in use of Urea and adoption of scientific fertilization practices.



IMPACT

- Boosted awareness on nutrient balance and soil health.
- Demonstrated higher crop yields through real-time trials.
- Strengthened trust among farmers, retailers, and dealers.
- Used mobile vans to reach remote agricultural communities promoting sustainable agriculture.

CORPORATE SOCIAL RESPONSIBILITY

Inclusive Growth. Enduring Impact.



EDUCATION & YOUTH EMPOWERMENT

- o Strengthened GSFC University as a hub for quality higher education.
- o Operated and upgraded GSFC-run schools at Vadodara, Sikka, and Fibre Unit (Kosamba).
- o Upgraded infrastructure in government and trust-run schools and ITI.
- o Participated in the PM Internship Program, bridging classroom knowledge with industry experience.

SUPPORT FOR PERSONS WITH SPECIAL NEEDS

- o Launched Celebrating Uniqueness to provide:
 - Accessible libraries.
 - Inclusive residential facilities.
 - Specialized transport services.



CHILD WELFARE

- o A *Safe Haven* initiative upgraded child care home for orphaned and vulnerable children to create safer, nurturing living spaces.

RURAL DEVELOPMENT

- o *Water is Life* initiative provided access to clean drinking water in villages.
- o Improved rural infrastructure development in the villages in the vicinity of plant locations.



NGO COLLABORATION

- o Backed high-impact grassroots work via *Together We Can* initiative.
- o Focused on education, health, skill development, and welfare projects.



EARLY CHILDHOOD NUTRITION

- o *Smart Anganwadi* project in Dashrath and other villages in the proximity of plant locations.

ENVIRONMENTAL SUSTAINABILITY

- o Promoted solar stoves under *Powering Green Energy*.
- o Rolled out *Ek Ped Maa Ke Naam* tree plantation drives.
- o Encouraged solutions with waste-to-energy projects.



HEALTHCARE ACCESS

- o Strengthened services at PHC and upgraded dialysis units.
- o Supported cancer and spinal disorder research.
- o Established Special Newborn Care Units (SNCUs) for critical infant care.
- o Endowed multiple blood donation drives.

OUR CSR EFFORTS ARE ROOTED IN A BELIEF:
Corporate progress must walk hand-in-hand with social upliftment and driving meaningful change in communities we serve.



EXPANSION & DIVERSIFICATION

Driving Growth Through Scale, Efficiency & Sustainability



WIND MILL RELOCATION

- Relocated 7 wind mills from Mahidad to Rajkot in October 2024 to enable Rajkot International Airport operations.



20 MTPD HX CRYSTAL PROJECT – VADODARA

- Commissioned in October 2024 to bridge demand-supply gap in industrial products.
- Offers product mix flexibility and replaces imports.
- Executed using in-house technology.



600 MTPD SULPHURIC ACID PLANT – VADODARA

- Under execution; commissioning expected in Q2 FY26.
- Will supply Sulphuric Acid for APS & Ammonium Sulphate.
- Steam generated will be reused within the Vadodara complex.



UREA PLANT REVAMP

- Completed in May 2025 to improve operational efficiency of the vintage Urea plant.



AMMONIUM SULPHATE-I & II REFURBISHMENT

- Completed in March 2025 to enhance reliability and performance of both legacy plants.



PHOSPHORIC & SULPHURIC ACID PLANTS – SIKKA

- Plans to set up 600 MTPD Phosphoric Acid and 1800 MTPD Sulphuric Acid plants as backward integration.
- Technology partnerships finalized; project expected to be commissioned by FY29.



RENEWABLE ENERGY PROJECT

- 1 MW Floating Solar at Kosamba (October 2024).
- 15 MW Ground-Mounted Solar at Charanka (May 2025).
- 75 MW Solar with GIPCL & GACL (Group Captive Mode): **Phase I:** 25 MW (April 2025) **Phase II:** 50 MW (June 2025) – GSFC's 50% share.

INTELLECTUAL PROPERTY RIGHTS

Protecting Innovation. Powering Competitive Advantage.

Comprehensive IPR Strategy

- GSFC systematically identifies, registers, and manages patents, trademarks, and copyrights.
- Focuses on leveraging IPRs for brand strength, legal protection, and business value.

- 8 Patents granted.
- 21 Copyrights registered.
- 107 Trademarks secured.
- 4 Patent applications and 3 Trademark applications under review.

**IPR Portfolio
(as on
31.03.2025)**

Business Benefits

- Enables revenue generation and legal defence.
- Enhances market valuation and competitive edge.

- Promotes early registration, timely renewals, and strict enforcement.
- Zero tolerance for infringement or unauthorized use of GSFC IP.

Culture of Innovation



SUSTAINABILITY

Built to Last. Powered by Purpose.

SUSTAINABILITY
AT THE CORE

GSFC integrates sustainability into every facet of operations, guided by a strong ESG framework and global benchmarks like ISO 14001 and Responsible Care.

GREEN ENERGY
TRANSITION

- 40% of electricity sourced from 152.8 MW wind and 65.13 MW solar capacity.
- Targeting 50% renewable energy usage to lower carbon footprint.

WATER STEWARDSHIP

- Zero Liquid Discharge achieved at the Sikka Plant.
- Wastewater recycled and reused across operations, conserving freshwater.

WASTE & RESOURCE
MANAGEMENT

- End-to-end waste handling system for hazardous and non-hazardous waste—reuse, recycling, and safe disposal.
- Initiatives like bio-methanation and e-mobility enhance circularity and reduce environmental load.

COMMUNITY-CENTRIC
SUSTAINABILITY

- Active involvement in education, rural development, and sanitation projects.
- Sustainable growth aligned with national environmental goals and global best practices.

SAFETY

Safety & Well-being: Core to GSFC's Culture



NATIONAL SAFETY WEEK 2025

- Celebrated from March 4 to reinforce commitment to safety across the organization.
- Aligned with the national theme: "Safety and Well-being – Crucial for Viksit Bharat".

LEADERSHIP COMMITMENT

- Safety is a top priority, integrated into GSFC's daily work culture.
- Strong emphasis on proactive practices and a safe work environment.



TRAINING & AWARENESS

- Regular safety training sessions conducted across units.
- Awareness drives promote occupational health, risk prevention, and emergency readiness.

CULTURE OF PREVENTION

- Encouraging all employees to internalize safety as a way of life.
- Focused on mind-set change – not just compliance.



VISION

- A safer workplace contributes to national development.
- GSFC is committed to nurturing a safety-first culture in line with India's journey toward becoming a developed nation.

EMPLOYEE WELL-BEING THROUGH SPORTS & SOCIAL ENGAGEMENT

Stronger Teams. Healthier Minds.

FOSTERING CONNECTIONS

- GSFC promotes sports and social events to build camaraderie and mutual understanding among employees.
- Encourages active participation across departments and units.

WELL-BEING THROUGH PLAY

- Sports and recreational activities help employees stay physically fit and mentally refreshed.
- Supports overall wellness and a positive work-life balance.

INCLUSIVE ENGAGEMENT

- From tournaments to fun games and cultural gatherings, events are designed to engage all age groups and roles.
- Builds team spirit, leadership, and a collaborative mindset.

BEYOND THE GAME

- These initiatives complement other welfare schemes aimed at employees' economic and professional growth.
- Sports and social engagement serve as a foundation for a healthier, more connected workplace.

HR INITIATIVES

Enabling Growth. Building Culture.

PEOPLE-FIRST APPROACH

- At GSFC, HR initiatives focus on holistic employee development – personal, professional, and social.
- Designed to enhance engagement, learning, inclusivity, and workplace culture.

HR: AAPKEDWAAR

- Monthly outreach by HR, IR, and Marketing teams to various plants and departments.
- Combines team-building activities with knowledge-sharing to foster collaboration.

L3: LISTEN, LEARN, LEAD

- In-person learning series running since 2017, with 95+ sessions completed.
- Covers leadership, finance, health, creativity, and more – accessible to all employees.

E-GURUKUL

- Launched in June 2025 as GSFC's digital learning platform.
- Offers anytime, anywhere access to curated learning modules across roles and locations.

OUT-BOUND TRAINING (OBT)

- Day-long experiential learning at GSFC's Parthampura centre.
- Adventure-based activities sharpen leadership, communication, and problem-solving skills

JOY OF SHARING

- Annual post-Diwali celebration with home-cooked food and cultural activities.
- Promotes camaraderie across all employee levels.

CELEBRATING WOMEN, CELEBRATING STRENGTH

- Women's Day event involving GSFC, GGRC, and GATL teams.
- This year's theme, Take it Easy!, focused on self-care, safety, and creative expression.

FAMILY-CENTRIC & LIFE TRANSITION PROGRAMS

- Eco-Friendly Ganesha Workshop: Encourages employee-family bonding and eco-consciousness.
- Planning for Retirement: Practical two-day sessions for employees and spouses nearing retirement.

GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED

[Corporate Identity Number (CIN) : L99999GJ1962PLC001121]

63RD ANNUAL GENERAL MEETING

Date : 24th September, 2025
Day : Wednesday
Time : 1500 Hours
Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").

CONTENTS	Page No.
Notice	02
Board's Report	32
Management Discussion and Analysis Report.....	55
Corporate Governance Report	65
Financial Highlights	97
Auditors' Report	98
Balance Sheet	110
Statement of Profit & Loss	112
Cash Flow Statement	113
Statement of Changes in Equity (SOCIE).....	114
Notes to the Financial Statements	115
Consolidated Financial Statements	167

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

MUFG 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@in.mpms.mufg.com

BOARD OF DIRECTORS (As on 01-09-2025)

MR. PANKAJ JOSHI *Chairman*
DR. RAVINDRA DHOLAKIA
MR. TAPAN RAY
MRS. GAURI KUMAR
DR. SUDHIR KUMAR JAIN
MR. S. J. HAIDER
DR. T. NATARAJAN
MR. SANJEEV KUMAR *Managing Director*

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

MR. S K BAJPAI

EXECUTIVE DIRECTOR

MR. S V VARMA

SR. VICE PRESIDENTS

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

COMPANY SECRETARY & VICE PRESIDENT (LEGAL)

MRS. 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 Dhananjay V Joshi & Associates, Pune

SECRETARIAL AUDITOR

M/s TNT & Associates, Vadodara

NOTICE

NOTICE is hereby given that the **Sixty Third Annual General Meeting (“AGM”)** of the Members of the Gujarat State Fertilizers & Chemicals Limited will be held at 1500 hours Indian Standard Time (IST) on Wednesday, **24th September, 2025 through Video Conferencing (“VC”)/ Other Audio Visual Means (“OVAM”)** 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, 2025, 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, 2025 together with report of the Auditors thereon.
2. To declare dividend on 39,84,77,530 equity shares at the rate of ₹ 5 per equity shares of Face value of ₹ 2 each (250%) fully paid-up, for the financial year ended 31st March, 2025.
3. To re-appoint Mr. Syed Jawaid Haider, IAS (DIN: 02879522), Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment.
4. Appointment of M/s CNK & Associates LLP, Chartered Accountants, Vadodara (Firm Registration Number - 101961W/W-100036) as Statutory Auditors of the Company for a term of three years commencing from the conclusion of 63rd Annual General Meeting up to the conclusion of 66th Annual General Meeting on such remuneration as the Board may deem fit.

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

“RESOLVED THAT pursuant to the provisions of Sections 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 CNK & Associates LLP, Chartered Accountants, Vadodara (Firm Registration Number -101961W/W-100036) be and are hereby appointed as the Statutory Auditors of the Company to hold office for a period of three consecutive years from conclusion of the 63rd Annual General Meeting until the conclusion of the 66th Annual General Meeting of the Company, covering a period of three financial years i.e. from the FY 2025-26 to FY 2027-28, at such remuneration as recommended by the Finance-cum-Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors from time to time.

RESOLVED FURTHER THAT the Managing Director, Chief Financial Officer or the Company Secretary of the Company, be and are hereby severally authorized to file the relevant forms, documents and returns with the office of the Registrar of Companies as per the applicable provisions of the Act and to do all acts, deeds and things as may be deemed necessary to give effect to the above resolution.”

Special Business

5. **Appointment of Mr. Sanjeev Kumar, IAS (DIN: 03600655) 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 the provisions of Sections 161(1) of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, Act, and rules thereunder or any modification/ re-enactment thereof, applicable regulation/s of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“Listing Regulations”) [including any statutory modification(s) or re-enactment thereof for the time being in force], and in conformity with Articles 140 and 145 of the Articles of Association of the Company, Mr. Sanjeev Kumar, IAS (DIN: 03600655), who was appointed as an Additional Director of the Company by the Board of Directors of the Company at its meeting held on 07th August, 2025, based on the recommendation of the Nomination and Remuneration Committee, with effect from 1st August, 2025, and who holds office up to the date of the conclusion of Sixty Third Annual General Meeting of the Company, and in respect of whom the Company has received notice in writing under Section 160 of the Act, proposing his candidature for the office of Director (Executive), be and is hereby appointed as a Director of the Company, not liable to retire by rotation.

RESOLVED FURTHER THAT the Board [including any Committee(s) thereof and / or any of the Director(s) or official(s) of the Company, duly authorised by the Board] be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution and, if necessary, to make application to the Central Government, if required, in connection with the appointment of Mr. Sanjeev Kumar, IAS (DIN: 03600655) as Director of the Company.”

NOTICE (Contd..)

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

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

“RESOLVED THAT pursuant to the provisions of Sections 152, 196, 197, 203 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and rules thereunder or any modification/ re-enactment thereof, applicable regulation/s of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“Listing Regulations”) [including any statutory modification(s) or re-enactment thereof for the time being in force], Articles 140 and 145 of the Articles of Association of the Company, Notification No. AIS/45.2025/4428/G dated 31st July, 2025 of the Government of Gujarat, General Administration Department and based on the recommendations of the Nomination and Remuneration Committee, and the Board of Directors of the Company at its meeting held on 07th August, 2025, consent of the Members be and is hereby accorded for appointment of Mr. Sanjeev Kumar, IAS (DIN: 03600655) as Managing Director of the Company, not liable to retire by rotation, for a period not exceeding five years with effect from 1st August, 2025 or until further orders from the Government of Gujarat, whichever is earlier.

RESOLVED FURTHER THAT subject to the provisions of the Sections 197, 198 and other applicable provisions, if any, of the Act and Regulation 17(6)(e) and other applicable provisions, if any, of the Listing Regulations, the Board of Directors or any Committee thereof, be and is hereby authorized to agree, to any revision / increase, variation, modification or amendment as may be decided from time to time by the Government with respect to the terms and conditions of appointment of Mr. Sanjeev Kumar, IAS (DIN: 03600655), including payment of remuneration.

RESOLVED FURTHER THAT Mr. Sanjeev Kumar, IAS (DIN: 03600655), a senior official of the Indian Administrative Service, nominated by the Government of Gujarat to serve as Managing Director of the Company, be and is hereby appointed as a Nominee Director representing the Government of Gujarat and he shall continue to receive remuneration from the Government of Gujarat in accordance with the applicable terms and conditions of his official pay scale and shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

RESOLVED FURTHER THAT Mr. Sanjeev Kumar, IAS (DIN: 03600655), as Managing Director of the Company, be and is hereby authorized to exercise substantial powers of management, all the powers of the Managing Director which had been delegated to and exercised by all his predecessors from time to time as the Managing Director of the Company and shall also be responsible for the day to day management of the Company subject to the superintendence, direction and control of the Board of Directors with effect from 1st August, 2025.

RESOLVED FURTHER THAT the Board [including any Committee(s) thereof and / or any of the Director(s) or official(s) of the Company, duly authorised by the Board], be and is hereby authorized to take all such steps as may be necessary for obtaining any approvals – statutory, contractual or otherwise, in relation to the above, and to do all the acts, deeds, matters and things which are necessary, proper, expedient and incidental for giving effect to this resolution.”

7. Re-Appointment of Mrs. Gauri Kumar, IAS (Retd.) (DIN: 01585999) as an Independent Director of the Company.

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), the Companies (Appointment and Qualification of Directors) Rules, 2014 (“Rules”) [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], Regulations 17, 25 and any other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) as amended from time to time, the Articles of Association of the Company, and as recommended by the Nomination & Remuneration Committee and the Board of Directors of the Company (“Board”) vide circular resolution passed on 31st August, 2025, Mrs. Gauri Kumar, IAS (Retd.) (DIN: 01585999), who holds office as an Independent Director up to and including 1st September, 2025, and in respect of whom the Company has received notice in writing under Section 160 of the Act, proposing her candidature for the office of Director, being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years commencing from 2nd September, 2025 up to and including 1st September, 2030.

RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of the Listing Regulations, approval be and is hereby accorded for continuation of Mrs. Gauri Kumar, IAS (Retd.) (DIN: 01585999), beyond 16th August, 2030, as an independent director of the Company on account of her attaining the age of 75 years on the said date.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 197 and other applicable provisions of the Act and the Rules, Mrs. Gauri Kumar, IAS (Retd.) (DIN: 01585999) be paid sitting fee for attending Board and committee meetings, and remuneration, if any, as the Board may approve, from time to time, and subject to such limits prescribed or as may be prescribed.

RESOLVED FURTHER THAT the Board [including any Committee(s) thereof and / or any of the Director(s) or official(s) of the Company, duly authorised by the Board] be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

8. Re-Appointment of Dr. Sudhir Kumar Jain (DIN: 03646016) as an Independent Director of the Company.

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualifications of Directors) Rules, 2014 ("Rules") [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], Regulations 17, 25 and any other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Articles of Association of the Company, as amended from time to time, and as recommended by the Nomination & Remuneration Committee and of the Board of Directors of the Company ("Board") vide circular resolution passed on 31st August, 2025, Dr. Sudhir Kumar Jain (DIN: 03646016), who holds office as an Independent Director up to and including 1st September, 2025, and in respect of whom the Company has received notice in writing under Section 160 of the Act, proposing his candidature for the office of Director, being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years commencing from 2nd September, 2025 up to and including 1st September, 2030.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 197 and other applicable provisions of the Act and the Rules, Dr. Sudhir Kumar Jain (DIN: 03646016) be paid sitting fee for attending the Board and committee meetings, and remuneration, if any, as the Board may approve, from time to time, and subject to such limits prescribed or as may be prescribed.

RESOLVED FURTHER THAT the Board [including any Committee(s) thereof and / or any of the Director(s) or official(s) of the Company, duly authorised by the Board] be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

9. Appointment of Dr. Rama Shanker Dubey (DIN: 11265952) as an Independent Director of the Company.

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualifications of Directors) Rules, 2014 ("Rules") [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], and Regulations 17, 25 and any other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, Dr. Rama Shanker Dubey (DIN: 11265952), who was appointed as an Additional Director (in the category of Independent Director) of the Company vide circular resolution passed on 31st August, 2025, with effect from 2nd September, 2025 by the Board, based on the recommendation of the Nomination and Remuneration Committee of the Company, under Section 161 of the Act and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting of the Company, and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a Notice in writing from a Member under Section 160 of the Act, proposing his candidature for the office of Director of the Company, being so eligible, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years commencing from 2nd September, 2025 up to and including 1st September, 2030.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 197 and other applicable provisions of the Act and the Rules, Dr. Rama Shanker Dubey (DIN: 11265952) be paid sitting fee for attending the Board and committee meetings, and remuneration, if any, as the Board may approve, from time to time, and subject to such limits prescribed or as may be prescribed.

RESOLVED FURTHER THAT the Board [including any Committee(s) thereof and / or any of the Director(s) or official(s) of the Company, duly authorised by the Board] be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

10. Appointment of Prof. Sundaravalli Narayanaswami (DIN: 06973448) as an Independent Director of the Company.

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualifications of Directors) Rules, 2014 ("Rules") [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], and Regulations 17, 25 and any other applicable provisions of the SEBI (Listing Obligations

NOTICE (Contd..)

and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, Prof. Sundaravalli Narayanaswami (DIN: 06973448), who was appointed as an Additional Director (in the category of Independent Director) of the Company vide circular resolution passed on 31st August, 2025, with effect from 2nd September, 2025 by the Board, based on the recommendation of the Nomination and Remuneration Committee of the Company, under Section 161 of the Act and the Articles of Association of the Company and who holds office up-to the date of this Annual General Meeting of the Company, and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act, proposing her candidature for the office of Director of the Company, being so eligible, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years commencing from 2nd September, 2025 up to and including 1st September, 2030.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 197 and other applicable provisions of the Act and the Rules, Prof. Sundaravalli Narayanaswami (DIN: 06973448) be paid sitting fee for attending the Board and committee meetings, and remuneration, if any, as the Board may approve, from time to time, and subject to such limits prescribed or as may be prescribed.

RESOLVED FURTHER THAT the Board [including any Committee(s) thereof and / or any of the Director(s) or official(s) of the Company, duly authorised by the Board] be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

11. Appointment of M/s. Samdani Shah & Kabra, Company Secretaries as Secretarial Auditor of the Company

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

"RESOLVED THAT pursuant to Regulation 24A and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], and applicable provisions of the Companies Act, 2013 and the rules framed thereunder and as recommended by the Board of Directors of the Company ("Board"), M/s. Samdani Shah & Kabra, Company Secretaries (Firm Registration no.: P2008GJ016300 and Peer Review no. 1079/2021), be and are hereby appointed as the Secretarial Auditors of the Company, to undertake audit of its secretarial and related records for a term of five consecutive financial years i.e. from financial year 2025-26 to financial year 2029-30, on such terms and conditions including remuneration as may be decided by the Board of Directors in consultation with the Secretarial Auditor.

RESOLVED FURTHER THAT any of the Directors and / or the Company Secretary of the Company, be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable, in this regard."

12. 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 ₹ 4,40,000/- per annum plus applicable taxes (for Cost Audit and Special Cost audit under NBS scheme), certification fee of ₹ 5,000/- per certificate plus applicable taxes and out of pocket expenses actually incurred by them during the course of audit subject to a ceiling of ₹ 40,000/- (excluding Taxes) per annum, payable to M/s N D Birla & Co., Cost Accountants, (Firm Registration No. 000028), 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 31st March, 2026."

By Order of the Board

Place: Vadodara
Date: 31st August, 2025

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

Registered Office:
P.O. Fertilizernagar-391 750, Dist. Vadodara, India
Website: www.gsfclimited.com
E-mail: investors@gsfcltd.com
Tel.: +91-265-2242651
Fax: +91-265-2240119

NOTICE (Contd..)

ANNEXURE TO THE NOTICE

Details of Director seeking re-appointment at the 63rd AGM

[Pursuant to the Secretarial Standard - 2 on General Meetings and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

ITEM NO. 03

Name of Director	Mr. Syed Jawaid Haider, IAS
DIN	02879522
Date of Birth/Age	3 rd December, 1965 / 59 years
Date of first appointment	13 th 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, Mr. S. J. Haider, IAS is presently serving as the Additional Chief Secretary to the Government of Gujarat in Energy and Petrochemicals Department. Mr. 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 listed companies in which Directorship is held*	i. Gujarat Narmada Valley Fertilizers & Chemicals Limited ii. Gujarat Gas Limited iii. Gujarat Alkalies and Chemicals Limited (w.e.f 16 th May, 2025)
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*	i. Gujarat Narmada Valley Fertilizers & Chemicals Limited - Stakeholders' Relationship Committee - Member - Nomination and Remuneration Committee - Member ii. Gujarat State Petroleum Corporation Limited - Nomination and Remuneration Committee - Member - Corporate social Responsibility Committee - Member iii. Gujarat Gas Limited - Stakeholders' Relationship Committee - Member - Nomination and Remuneration Committee - Member - Corporate social Responsibility Committee – Member

NOTICE (Contd..)

Attendance at the Board meetings held during the financial year 2024-25	None
Shareholding	NIL
Remuneration received during the FY 2024-25	NIL
Terms and conditions of appointment	Mr. S.J. Haider, IAS is a non-executive and non-independent Director of the Company, liable to retire by rotation. Mr. S.J. Haider, IAS is only entitled to receive sitting fee and out of pocket expenses for attending Board and Committee meetings. However, Mr. Haider has opted not to take any sitting fee and out of pocket expenses for attending Board and Committee meetings.
Listed entities from which S.J. Haider, IAS has resigned as Director in the past three years	Gujarat Mineral Development Corporation

*As on the date of the Notice

Mr. Syed Jawaid Haider, IAS is not disqualified from being appointed as the Director in terms of Section 164 of the Companies Act, 2013 ("Act") and he is not debarred from holding the office of director pursuant to any order of SEBI or of any such other regulatory authority.

The proposal for his re-appointment as the Director, liable to retire by rotation, is placed before the Members for their approval at item no. 3 of this Notice. The Board recommends the same for approval of the Members.

Except Mr. Syed Jawaid Haider, IAS, (DIN: 02879522) none of the other Directors / Key Managerial Personnel of the Company and their relatives is /are, in any way, concerned or interested, financially or otherwise, in the resolutions set out at item no. 3 of the Notice.

NOTICE (Contd..)

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

ITEM NO. 04

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 held on 27th September, 2022, for a term of two consecutive years, to hold office from the conclusion of 60th AGM until the conclusion of the 62nd AGM of the Company. The Shareholders of the Company at the 62nd AGM held on 24th September, 2024 had approved the re-appointment of M/s. Parikh Mehta & Company, Chartered Accountants, Vadodara (Firm Registration No. 112832W) as the Statutory Auditors of the Company for a second term of one financial year, from the conclusion of 62nd AGM up to the conclusion of the 63rd AGM.

Pursuant to the provisions of Section 139 of the Act, read with the Companies (Audit and Auditors) Rules, 2014 ("Audit Rules") and other applicable provisions of the Act, the Company can appoint or reappoint an audit firm as statutory auditors for not more than two terms of up to five consecutive years, each.

M/s. Parikh Mehta & Company, Chartered Accountants, Vadodara will complete their second term on the conclusion of 63rd AGM.

Based on the recommendation of the Finance-cum-Audit Committee, the Board of Directors of the Company, at its meeting held on 7th August, 2025 have approved the appointment of M/s CNK & Associates LLP., Chartered Accountants (Firm Registration No. 101961W/W-100036) as Statutory Auditors of the Company for a term of three consecutive years from the conclusion of 63rd AGM up to the conclusion of 66th AGM of the Company, subject to the approval of shareholders. They shall carry out Statutory Audit (including IFC and CARO), Limited Review of quarterly Financial Results of the Company, Tax Audit, and Certification of Fertilizers Subsidy bills.

Details as required under Regulation 36(5) of the Listing Regulations

The fee proposed to be paid to M/s CNK & Associates LLP, Chartered Accountants towards statutory audit for the FY 2025-26 shall be ₹ 19.79 lakhs (Previous year fee paid to statutory auditors was - ₹ 15.51 lakh) plus applicable taxes and out of pocket expenses. It is proposed to authorise the Board to make revisions to the fee payable to the Statutory Auditors during the tenure of their appointment, 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 (including remuneration) of M/s CNK & Associates LLP, Chartered Accountants as Statutory Auditors of the Company have taken into consideration, the experience and expertise of the firm and its partners and the eligibility criteria prescribed in the Act. The increase in audit fee is considering the experience and scale of operations of the firm and general inflation.

M/s. CNK & Associates LLP (FRN: 101961W/W-100036), established in 1936, is an esteemed firm of Chartered Accountants registered with the Institute of Chartered Accountants of India (ICAI) providing services to both domestic and international clients. The firm has pan India presence and experience of over 8 decades, specializing in the statutory audits of listed entities including large Public Sector Undertakings (PSUs) and clients in various industries. Its service offerings include Statutory Audit, conversion from IGAAP to IFRS, US GAAP, IND AS, accounting advisory, special audits/ investigations, certification, attestation Services and training on accounting aspects.

The Company has received a consent letter from M/s CNK & Associates LLP, Chartered Accountants, to the effect that their appointment if made, would be in accordance with the conditions prescribed under Section 139(1) of the Act read with the Audit Rules, and that they are not disqualified for such appointment within the meaning of Section 141 of the Act.

None of the Directors or Key Managerial Personnel of the Company and their respective relatives is/are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board recommends the Resolution at Item No. 4 of the Notice for your approval.

ITEMS NO. 05 & 06

Appointment of Mr. Sanjeev Kumar, IAS (DIN: 03600655) as Managing Director of the Company

The General Administration Department, Government of Gujarat has issued an Order vide reference no. AIS/45.2025/4428/G dated 31st July, 2025 for appointment of Shri Sanjeev Kumar, IAS as Managing Director of the Company vice Shri Kamal Dayani, IAS (Retd.).

NOTICE (Contd..)

In view of the foregoing and pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors, at its meeting held on 7th August, 2025 approved appointment of Mr. Sanjeev Kumar, IAS (DIN: 03600655) as an Additional Director, in the capacity of Managing Director pursuant to the provisions of Sections 161(1) and 196 of the Act, and in accordance with Articles 140 and 145 of the Articles of Association of the Company, not liable to retire by rotation, with effect from 1st August, 2025 vice Mr. Kamal Dayani, IAS (Retd).

In terms of Sections 152 and 161 of the Act, Mr. Sanjeev Kumar, IAS shall hold office of Director till the conclusion of the ensuing AGM of the Company and his appointment is subject to the approval of the Members of the Company.

Further, pursuant to the provisions of Regulation 17(1C) of the 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 three months from the date of appointment, whichever is earlier.

As per the aforementioned order of the Government of Gujarat, Mr. Sanjeev Kumar has been given additional charge as the Managing Director of the Company and there is no remuneration payable by the Company to him.

In view of the foregoing, the Members are requested to authorize the Board of Directors or any Committee thereof as per powers delegated to it, to approve the remuneration, perquisites and other terms and conditions as per the communication as may be received from the Government, from time to time, during the tenure of his appointment, which shall be subject to the limits as stipulated under Section 197 of the Act. The terms and conditions as issued by the Government of Gujarat would be applicable till Mr. Sanjeev Kumar, IAS (DIN: 03600655) remains on deputation with the Company. On reversion from appointment, he will be governed by the relevant rules laid down for All India Services Officers.

Details of Mr. Sanjeev Kumar, IAS (DIN: 03600655) pursuant to the provisions of the Act, Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India as well as the disclosure under Regulation 36 (3) of the Listing Regulations are given below:

Name	Mr. Sanjeev Kumar, IAS
DIN	03600655
Date of Appointment	1 st August, 2025
Date of Birth / Age	24 th August 1970 / 55
Designation	Nominee, Executive, Non- Independent, Non-rotational Director
Qualification(s)	B. Tech. (Hons.) from I.I.T., Kharagpur, and M.P.A., Hubert H. Humphrey School of Public Affairs, University of Minnesota, USA
Experience and nature of expertise	Mr. Sanjeev Kumar is a 1998 batch Indian Administrative Service (IAS) officer from Gujarat Cadre. He currently serves as the Principal Secretary to the Government of Gujarat, Forests & Environment Department. With over 27 years of extensive experience in public administration, he has been instrumental in driving sustainable development across various sectors including finance, energy, petrochemicals, and environmental governance. He has rich knowledge and wide experience of working in various Government Departments and Public Sector Undertakings. He has served in various capacities in Panchayats, Rural Development, Finance, General Administration (Planning), Commercial Taxes, Energy & Petrochemicals, Forest & Environment, Climate change, Urban Development and Urban Housing Department and other departments, and listed state PSUs and has exposure and in-depth understanding of various sectors and grassroots issues. The journey of nearly a quarter of a century as an IAS officer has ingrained in a growth-oriented people-centric approach which he strives to put to good use in strategic planning and governance. He has served in leadership roles at GSPC Group, Gujarat Gas Limited, Gujarat State Petronet Limited (GSPL), Sabarmati Gas Limited, and GSPC LNG Limited. He has also served as Director on the Boards of several prominent national and state PSUs, including GSFS Ltd, GIDC, GSEC, GMDC, GUDC, GSIL, GSRTC, GIDB, DREAM CITY Ltd, URDC Ltd, SWAN LNG Pvt Ltd, and Dholera Industrial City Development Ltd.

NOTICE (Contd..)

Relationship with other Directors, and Key Managerial Personnel of the Company	None
Directorship(s) in other listed companies on the date of this Notice	Gujarat Narmada Valley Fertilizers & Chemicals Limited
Memberships / Chairmanship of Committees on the date of this Notice	i. Risk Management Committee – Chairman ii. Corporate Social Responsibility Committee - Chairman iii. Stakeholders' Relationship Committee - Member
Memberships/ Chairmanship of Committees of other companies on the date of this Notice	Nil
Shareholding in the Company	Nil
Attendance at the Board meetings held during financial year 2024-25	Not Applicable. Mr. Sanjeev Kumar, IAS was appointed as Managing Director with effect from 1 st August, 2025.
Remuneration drawn in the financial year 2024-25	Not applicable as Mr. Sanjeev Kumar, IAS was appointed as Managing Director with effect from 1 st August, 2025.
Terms and conditions of re-appointment	Mr. Sanjeev Kumar, IAS was appointed as Managing Director on additional charge, with effect from 1 st August, 2025 for a term of five years, or further orders from the Government of Gujarat, whichever is earlier. He shall not receive any remuneration from the Company.
Listed entities from which the director has resigned as director in the past three years	1. Gujarat Gas Limited 2. Gujarat State Petronet Limited 3. Petronet LNG Limited

The Company has received statutory declarations and disclosures from Mr. Sanjeev Kumar, IAS. 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 Managing 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.

The Company has received notice in writing under the provisions of Section 160 of the Act from a Member proposing the candidature of Mr. Sanjeev Kumar, IAS for appointment as Director of the Company.

The Nomination and Remuneration Committee and the Board are of the opinion that the vast knowledge and varied experience of Mr. Sanjeev Kumar, IAS will be of significant value to the Company and therefore, recommended his appointment as Managing Director of the Company.

In accordance with the provisions of Sections 152 and 160 of the Act 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 Board has recommended the Ordinary Resolutions under items nod. 5 and 6 relating to his appointment as Director and Managing Director of the Company, respectively, not liable to retire by rotation, for your approval.

Except Mr. Sanjeev Kumar, IAS, (DIN: 03600655) none of the other Directors / Key Managerial Personnel of the Company and their relatives is /are, in any way, concerned or interested, financially or otherwise, in the resolutions set out at items nod. 5 and 6 of the Notice.

ITEM NO. 07

Re-appointment of Mrs. Gauri Kumar, IAS (Retd.) (DIN: 01585999) as an Independent Director of the Company

Pursuant to Section 149 of the Act, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 ("Rules"), the Shareholders of the Company had, in the 58th AGM held on 30th September, 2020, appointed Mrs. Gauri Kumar, IAS (Retd.) (DIN: 01585999), as an Independent Director (Non-Executive) of the Company for a term of five consecutive years from 2nd September, 2020.

In terms of the provisions of Section 149 of the Act and Regulation 25 of the Listing Regulations, an Independent Director shall be eligible for re-appointment for a second term of up to five consecutive years on passing of a special resolution in general meeting by the Company.

NOTICE (Contd..)

The Company has received notice in writing under the provisions of Section 160 of the Act from a Member proposing the candidature of Mrs. Gauri Kumar, IAS (Retd.) (DIN: 01585999), for re-appointment as Director of the Company.

Based on the recommendation of the Nomination and Remuneration Committee ("NRC") and after taking into account the performance evaluation of Mrs. Gauri Kumar, IAS (Retd.) (DIN: 01585999), the Board of Directors of the Company has vide circular resolution passed on 31st August, 2025, approved the re-appointment of Mrs. Gauri Kumar, IAS (Retd.) (DIN: 01585999). The Board is of the view that her continued association as an Independent Director would be beneficial for the Company. Her knowledge, experience shall immensely contribute for the strategic growth of the Company and therefore, the Board recommends her re-appointment for a second term of five consecutive years commencing from 2nd September, 2025 up to and including 1st September, 2030.

Information relating to Mrs. Gauri Kumar, IAS (Retd.) (DIN: 01585999), including her profile is mentioned below for perusal of the Members:

Name	Mrs. Gauri Kumar, IAS (Retd.)
DIN	01585999
Date of Appointment	Mrs. Gauri Kumar, IAS (Retd.) was appointed as an Independent Director on the Board for the first term of five consecutive years with effect from 2 nd September, 2020.
Date of Birth / Age	16 th August, 1955 / 70
Designation	Non-executive Independent Director
Qualification(s)	Mrs. Gauri Kumar, IAS (Retd.) holds BSc in Physics, Mathematics and Statistics from Allahabad University. She completed her MSc in Mathematics from Lucknow University and was awarded seven gold medals in the course of her studies for exceptional academic distinction. She also has a Masters in Public Administration from the John F. Kennedy School of Government, Harvard University. As a fellow of the Edward G. Mason Program in Public Policy and Management, she was awarded the Littauer Fellowship by Harvard for commitment to excellence, academic achievement and public service.
Experience and nature of expertise	Mrs. Gauri Kumar is a retired member of the 1979 batch of Indian Administrative Services (IAS). She retired as Secretary (Coordination and Public Grievances), Cabinet Secretariat in 2015 and served as Member/Chairperson of the Public Enterprises Selection Board from 2015-18 post her retirement. During the course of her distinguished career, she has been a former Secretary in the union Ministry of Labour and Employment as well as in the Ministry of Home Affairs (Border Management) (2013-15). She has served as Special/Additional Secretary, Ministry of Mines and Additional Secretary and Financial Advisor, Ministry of Environment and Forests (2010-13). She has also been Principal Secretary, Urban Development (2009-10); Principal Secretary, Industries & Mines (2008-09), Industries Commissioner (2007-08) and Secretary, Education Department (2000-02) in Government of Gujarat. She also held the position of Director General, National Institute of Fashion and Technology, Ministry of Textiles (2002-07).
Relationship with other Directors, and Key Managerial Personnel of the Company	None
Directorship(s) in other listed companies as on the date of this Notice	i. Gujarat Mineral Development Corporation Limited ii. Gujarat Narmada Valley Fertilizers & Chemicals Limited iii. TVS Supply Chain Solutions Limited
Memberships / Chairmanship of Committees of the Company, as the date of this Notice	i. Finance-cum Audit Committee - Chairperson ii. Risk Management Committee- Member iii. Nomination and Remuneration Committee - Chairperson iv. Corporate Social Responsibility Committee - Member

NOTICE (Contd..)

Memberships / Chairmanship of Committees of other companies as on date of this Notice	i. Gujarat Mineral Development Corporation Limited • Audit Committee – Chairperson ii. Gujarat Narmada Valley Fertilizers & Chemicals Limited • Audit Committee – Member • Risk Management Committee –Member • Corporate Social Responsibility Committee - Chairperson • Nomination and Remuneration Committee- Chairperson iii. TVS Supply Chain Solutions Limited • Stakeholders' Relationship Committee - Chairperson • Corporate Social Responsibility Committee - Chairperson iv. Gujarat State Petroleum Corporation Limited • Audit Committee- Member • Nomination and Remuneration Committee - Member
Shareholding in the Company	Nil
Attendance at the Board meetings held during financial year 2024-25	Five meetings of the Board were held and Mrs. Gauri Kumar, IAS (Retd.) attended all of them.
Remuneration drawn in the financial year 2024-25	Remuneration by way of Sitting fees of ₹ 2,80,000 paid for attending Board and Committee Meetings
Terms and conditions of re-appointment	It is proposed to re-appoint Mrs. Gauri Kumar, IAS (Retd.) for a second term of five consecutive years commencing from 2 nd September, 2025 up to and including 1 st September, 2030, as an Independent Director on the Board of the Company. She shall be paid sitting fee for attending the Board and Committee meetings, and remuneration, if any, as the Board may approve, from time to time, and subject to such limits as prescribed under the Act and Listing Regulations.
Listed entities from which the director has resigned as director in the past three years	NIL

The Board is of the opinion that Mrs. Gauri Kumar, IAS (Retd.) (DIN: 01585999) fulfils the conditions specified in the Act and Listing Regulations for her re-appointment as an Independent Director.

Mrs. Gauri Kumar, IAS (Retd.) (DIN 01585999) has given a declaration to the Board that she meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the Listing Regulations. Further, the Company has also received following declarations / confirmations from her:

- i. consent in writing to act as Director;
- ii. declaration that she is not disqualified under Section 164(2) of the Act; and
- iii. a declaration to the effect that she is not debarred from holding the office of Director pursuant to any order issued by the SEBI or of any such other regulatory authority.

Pursuant to Regulation 17(1A) of the Listing Regulations, consent of Members, by way of Special Resolution, is required for continuation of directorship of Non-executive Director of the Company, after the incumbent has attained the age of 75 years. Considering that Mrs. Gauri Kumar, IAS (Retd.) (DIN: 01585999) will attain the age of 75 years on 16th August, 2030, which is during the proposed second term of her appointment, the Company seeks consent of the Members for continuation of her directorship on the Board of the Company, beyond the said date.

The Board recommends the Special Resolution set out at item no. 7 of the Notice for re-appointment of Mrs. Gauri Kumar, IAS (Retd.) as an Independent Director, not liable to retire by rotation, including for her continuance as Director of the Company after she attains the age of 75 years, for the approval of the Members.

Except Mrs. Gauri Kumar, IAS (Retd.) (DIN 01585999) none of the other Directors / Key Managerial Personnel of the Company and their relatives is /are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no. 7 of the Notice.

NOTICE (Contd..)

ITEM NO 8

Re-appointment of Dr. Sudhir Kumar Jain (DIN: 03646016) as an Independent Director of the Company

Pursuant to Section 149 of the Act, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 ("Rules"), the Shareholders of the Company had, in the 58th AGM held on 30th September, 2020, approved the appointment of Dr. Sudhir Kumar Jain (DIN: 03646016) as an Independent Director (Non-Executive) of the Company for a term of five consecutive years from 2nd September, 2020.

In terms of the provisions of Section 149 of the Act and Regulation 25 of the Listing Regulations, an Independent Director shall be eligible for re-appointment for a second term of up to five consecutive years on passing of a special resolution in general meeting by the Company.

The Company has received notice in writing under the provisions of Section 160 of the Act from a Member proposing the candidature of Dr. Sudhir Kumar Jain (DIN: 03646016), for re-appointment as Director of the Company.

Based on the recommendation of the Nomination and Remuneration Committee ("NRC"), and after taking into account his performance evaluation, the Board of Directors of the Company has vide circular resolution passed on 31st August, 2025, approved the re-appointment of Dr. Sudhir Kumar Jain (DIN: 03646016). The Board is of the view that his continued association as an Independent Director would be beneficial for the Company. His knowledge, qualification, multi-faceted experience and expertise shall immensely contribute for strategic growth of the Company and therefore, the Board recommends his re-appointment for a second term of five consecutive years, commencing from 2nd September, 2025 up to and including 1st September, 2030.

Information relating to Dr. Sudhir Kumar Jain (DIN: 03646016) including his profile is mentioned below for perusal of the Members:

Name	Dr. Sudhir Kumar Jain
DIN	03646016
Date of Appointment	Dr. Sudhir Kumar Jain was appointed as an Independent Director on the Board of the Company for the first term of five consecutive years with effect from 2 nd September, 2020.
Date of Birth / Age	4 th July, 1959 / 66
Designation	Non-executive Independent Director
Qualification(s)	Bachelor of Engineering from the University of Roorkee, Masters and Doctoral degrees from the California Institute of Technology, Pasadena
Experience and nature of expertise	Dr. Sudhir Kumar Jain is an active academician in the field of earthquake engineering and a passionate academic administrator. He has served as the Vice Chancellor of Banaras Hindu University. He was a faculty of IIT Kanpur (IITK) in the Department of Civil Engineering from 1985 to 2019. He was the director of IIT Gandhinagar between June 2009 - June 2019 and September 2019 - January 2022. He has served as President of the International Association for Earthquake Engineering during 2014 to 2018. He was elected Fellow of the Indian National Academy of Engineering in 2003, and was conferred Padma Shri by the President of India in 2020.
Relationship with other Directors, and Key Managerial Personnel of the Company	None
Directorship(s) in other listed companies as on the date of this Notice	Gujarat State Petronet Limited

NOTICE (Contd..)

Memberships / Chairmanship of Committees as on the date of this Notice	i. Nomination and Remuneration Committee - Member ii. Corporate Social Responsibility Committee - Member iii. Stakeholders` Relationship Committee- Chairman
Memberships / Chairmanship of Committees of other companies as on the date of this Notice	i. Gujarat State Petronet Limited - Audit Committee - Member - Stakeholders` Relationship Committee – Chairman ii. GSPL India Gasnet Limited - Audit Committee - Member - Nomination and Remuneration Committee - Member - Corporate Social Responsibility Committee – Member iii. GSPL India Transco Limited - Audit Committee- Member - Nomination and Remuneration Committee-Member
Shareholding in the Company	Nil
Attendance at the Board meetings held during financial year 2024-25	Five meetings of the Board were held and Dr. Sudhir Kumar Jain attended all of them.
Remuneration drawn in the financial year 2024-25	Remuneration by way of Sitting fees of ₹ 2,10,000 paid for attending Board and Committee Meeting
Terms and conditions of re-appointment	It is proposed to re-appoint Dr. Sudhir Kumar Jain for a second term of five consecutive years commencing from 2 nd September, 2025 up to and including 1 st September, 2030, as an Independent Director on the Board of the Company. He shall be paid sitting fee for attending the Board and Committee meetings, and remuneration, if any, as the Board may approve, from time to time, and subject to such limits as prescribed under the Act and Listing Regulations.
Listed entities from which the director has resigned as director in the past three years	NIL

The Board is of the opinion that Dr. Sudhir Kumar Jain (DIN: 03646016) fulfils the conditions specified in the Act and Listing Regulations for his re-appointment as an Independent Director.

Dr. Sudhir Kumar Jain (DIN: 03646016) has given a declaration to the Board that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the Listing Regulations. Further, the Company has also received following declarations / confirmations from him:

- i. consent in writing to act as Director;
- ii. declaration that he is not disqualified under Section 164(2) of the Act; and
- iii. a declaration to the effect that he is not debarred from holding the office of Director pursuant to any order issued by the SEBI or of any such other regulatory authority.

The Board recommends the Special Resolution set out at item no. 8 of the Notice for re-appointment of Dr. Sudhir Kumar Jain (DIN: 03646016) as Independent Director, not liable to retire by rotation, for approval of the Members.

Except Dr. Sudhir Kumar Jain (DIN: 03646016), none of the Directors / Key Managerial Personnel of the Company and their relative(s) is / are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

ITEM NO. 9

Appointment of Dr. Rama Shanker Dubey (DIN: 11265952) as an Independent Non-Executive Director of the Company:

The Board of Directors of the Company has vide circular resolution passed on 31st August, 2025, based on the recommendation of the Nomination and Remuneration Committee, approved the appointment of Dr. Rama Shanker Dubey (DIN 11265952) as an Additional Director (in the capacity of an Independent Director) of the Company, in terms

NOTICE (Contd..)

of Sections 149, 150, 152, Schedule IV and other applicable provisions, if any, of the Act, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and amendments thereto [including any statutory modification(s) or re-enactment(s) thereof for the time being in force]. Dr. Rama Shanker Dubey (DIN: 11265952) shall hold office as a Director for a period of five consecutive years commencing from 2nd September, 2025, not liable to retire by rotation, and subject to approval of the Members.

In this regard, the Company has received notice(s), in writing, under Section 160 of the Act from a Member proposing his candidature for being appointed as a Director of the Company.

Information relating to Dr. Rama Shanker Dubey (DIN 11265952) including his profile is mentioned below for perusal of the Members:

Name	Dr. Rama Shanker Dubey
DIN	11265952
Date of Appointment	Dr. Rama Shanker Dubey has been appointed as an Additional Director (Independent Director) on the Board for a term of five consecutive years with effect from 2 nd September, 2025.
Date of Birth / Age	23 rd December, 1955 / 69
Designation	Non-executive Independent Director
Qualification(s)	He possesses an excellent academic record with M.Sc. degree in Biochemistry from Banaras Hindu University in 1976 standing 1 st in order of merit and Ph.D. degree in Biochemistry from Banaras Hindu University in 1980.
Experience and nature of expertise	Prof. Rama Shanker Dubey is the Vice Chancellor of the Central University of Gujarat, Gandhinagar. Prior to this, he served as Vice Chancellor at Tilka Manjhi Bhagalpur University, Bhagalpur, Bihar (2014-2017) and also as Vice-Chancellor at Guru Ghasidas University, Bilaspur, Chhattisgarh (2008-2009). He has over 47 years of experience in research and 38 years experience of in teaching. He has served as Head of the Department of Biochemistry at Banaras Hindu University for four terms, for more than 9 years. Prof. Dubey is a renowned expert in Plant Biochemistry and Biotechnology, with extensive international research experience in countries such as Sweden, Denmark, Japan, and Germany. He has delivered numerous invited talks and chaired sessions at both national and international scientific conferences. Throughout his career, he has received several prestigious awards, including the Banaras Hindu University Medal, ISCA Young Scientist Award, Swedish Institute and JSPS Fellowships, and the Lifetime Achievement Award from the Indian Society of Agricultural Biochemists. He was recognized as a Top-10 Most Cited Author by Elsevier (2003–2008) and has been ranked among the world's top 2% scientists from 2020 to 2023, according to a Stanford University study. In addition to his academic achievements, Prof. Dubey has held several significant administrative roles. Nominated by the Government of India, he has served on the Board of Governors at IISER, Mohali and as Visitor's Nominee for faculty selections at various IITs and central universities. He has played a key role in quality assurance in higher education through his long-term involvement with NAAC as Chairman and Member of peer review teams. In 2014, he was part of a World Bank-sponsored delegation of Vice Chancellors for academic leadership training at Penn State University. He currently serves on governing and executive bodies of several national institutions, including ICMR, NAAC, Pondicherry University, INFLIBNET, IUCTE-BHU, IUC-YS, and IUAC. Moreover, he actively contributes to UGC committees working on NEP 2020 implementation, policy development, curriculum frameworks, and the promotion of the Indian Knowledge System.
Relationship with other Directors, and Key Managerial Personnel of the Company	None

NOTICE (Contd..)

Directorship(s) in other listed companies as on the date of this Notice	NIL
Memberships / Chairmanship of Committees as on the date of this Notice	i. Finance-cum-Audit Committee – Member ii. Risk Management Committee – Member iii. Stakeholders` Relationship Committee- Member
Memberships / Chairmanship of Committees of other companies as on the date of this Notice	NIL
Shareholding in the Company	Nil
Attendance at the Board meetings held during financial year 2024-25	Not Applicable, as Dr. Rama Shanker Dubey has been appointed as an Independent Director with effect from 2 nd September, 2025.
Remuneration drawn in the financial year 2024-25	Not Applicable
Terms and conditions of re-appointment	It is proposed to appoint Dr. Rama Shanker Dubey as an Independent Director of the Company for a period of five consecutive years wef 2 nd September, 2025, not liable to retire by rotation. He shall be entitled to receive sitting fees for attending the Board and Committee meetings.
Listed entities from which the director has resigned as director in the past three years	NIL

The Company has received from Dr. Rama Shanker Dubey (DIN: 11265952):

- (i) consent in writing to act as a Director,
- (ii) declaration that he is not disqualified under Section 164(2) of the Act,
- (iii) a declaration to the effect that he meets the criteria of independence as provided in Section 149 (6) of the Act and under Listing Regulations; and
- (iv) a declaration to the effect that he is not debarred from holding the office of Director pursuant to any order issued by the SEBI or of any such other regulatory authority.

In the opinion of the Board, Dr. Rama Shanker Dubey (DIN: 11265952) fulfills the conditions specified in the Act and Rules made thereunder, and he is independent of the management of the Company. The Nomination and Remuneration Committee and the Board are of the opinion that his extensive knowledge shall be of significant value to the Company.

Accordingly, the Board recommends the Special Resolution set out at Item no. 9 of the Notice for appointment of Dr. Rama Shanker Dubey (DIN: 11265952), as an Independent Director of the Company, not liable to retire by rotation, for approval of the Members.

Except Dr. Rama Shanker Dubey (DIN: 11265952), none of the other Directors / Key Managerial Personnel of the Company and their relatives is /are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the Notice.

ITEM NO 10

Appointment of Prof. Sundaravalli Narayanaswami (DIN: 06973448) as an Independent Director of the Company

The Board of Directors of the Company has vide circular resolution passed on 31st August, 2025, based on the recommendation of the Nomination and Remuneration Committee, approved the appointment of Prof. Sundaravalli Narayanaswami (DIN: 06973448) as an Additional Director (in the capacity of an Independent Director) of the Company, in terms of Sections 149, 150, 152, Schedule IV and other applicable provisions, if any, of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and amendments thereto [including any statutory modification(s) or re-enactment(s) thereof for the time being in force]. Prof. Sundaravalli Narayanaswami (DIN: 06973448) shall hold office as a Director for a period of five consecutive years commencing from 2nd September, 2025, not liable to retire by rotation, and subject to approval of the Members.

NOTICE (Contd..)

In this regard, the Company has received notice(s), in writing, under Section 160 of the Act from a Member proposing her candidature for being appointed as a Director of the Company.

Information relating to Prof. Sundaravalli Narayanaswami (DIN: 06973448) including her profile is mentioned below for perusal of the Members:

Name	Prof. Sundaravalli Narayanaswami
DIN	06973448
Date of Appointment	Prof. Sundaravalli Narayanaswami has been appointed as an Additional Director (Independent Director) on the Board for a term of five consecutive years with effect from 2 nd September, 2025.
Date of Birth / Age	1 st April, 1969 / 56
Designation	Non-executive Independent Director
Qualification(s)	Prof Sundaravalli Narayanaswami has earned her PhD in Industrial Engineering and Operations Research from IIT Bombay, after her Masters in Computer Science.
Experience and nature of expertise	Dr Sundaravalli Narayanaswami's teaching interests are in Intelligent Transportation Systems, Operations Research in public systems, Operations Management, Urban transportation, in addition to Management Information systems and Knowledge Management. Most of her research in the past and present are in transportation operations and knowledge management that involve applications of ICT and OR tools in real-life problems of large impact. Dr Sundaravalli Narayanaswami started her career in IT services marketing and she soon moved to a production profile in an electronics equipment manufacturing industry. Her academic career began later and she has taught at various programs in Mumbai University and at Institutes under the UAE Federal education ministry in Abu Dhabi and Dubai. She has also taught in many Executive development programs while at UAE. Dr Sundaravalli Narayanaswami has a vibrant and extensive consultancy experience, mainly with government organizations in policy making on Good Governance and Administration.
Relationship with other Directors, and Key Managerial Personnel of the Company	None
Directorship(s) in other listed companies as on the date of this Notice	NIL
Memberships / Chairmanship of Committees as on the date of this Notice	i. Finance-cum-Audit Committee – Member ii. Nomination and Remuneration Committee- Member iii. Risk Management Committee- Member
Memberships / Chairmanship of Committees of other companies as on the date of this Notice	NIL
Shareholding in the Company	Nil
Attendance at the Board meetings held during financial year 2024-25	Not Applicable, as Prof. Sundaravalli Narayanaswami has been appointed as an Independent Director with effect from 2 nd September, 2025.
Remuneration drawn in the financial year 2024-25	Not Applicable

NOTICE (Contd..)

Terms and conditions of re-appointment	It is proposed to appoint Prof. Sundaravalli Narayanaswami as an Independent Director of the Company for period of five consecutive years wef 2 nd September, 2025, not liable to retire by rotation. She shall be entitled to receive sitting fees for attending Board and Committee meetings.
Listed entities from which the director has resigned as director in the past three years	NIL

The Company has received from Prof. Sundaravalli Narayanaswami (DIN: 06973448)

- (i) consent in writing to act as a Director,
- (ii) declaration that she is not disqualified under Section 164(2) of the Act,
- (iii) a declaration to the effect that she meets the criteria of independence as provided in Section 149 (6) of the Act and under Listing Regulations; and
- (iv) a declaration to the effect that she is not debarred from holding the office of Director pursuant to any order issued by the SEBI or of any such other regulatory authority.

In the opinion of the Board, Prof. Sundaravalli Narayanaswami (DIN: 06973448) fulfills the conditions specified in the Act and Rules made thereunder, and she is independent of the management of the Company. The Nomination and Remuneration Committee and the Board are of the opinion that given her extensive knowledge and diverse experience, her association will be of immense benefit to the Company.

Accordingly, the Board recommends the Special Resolution set out at Item no. 10 of the Notice for appointment of Prof. Sundaravalli Narayanaswami (DIN: 06973448), as an Independent Director of the Company, not liable to retire by rotation, for approval of the Members.

Except Prof. Sundaravalli Narayanaswami (DIN: 06973448), none of the other Directors / Key Managerial Personnel of the Company and their relatives is /are, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Items No. 10 of the Notice.

ITEM NO 11

Appointment of M/s. Samdani Shah & Kabra, Company Secretaries as Secretarial Auditor of the Company

In terms of the amended provisions of Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as introduced vide SEBI Notification dated 12th December, 2024 every listed entity shall on the basis of recommendation of the Board of Directors appoint / re-appoint an individual as a Secretarial Auditor of the Company for not more than one term of five consecutive years or a Secretarial Audit firm as Secretarial Auditor for not more than two terms of five consecutive years each, subject to the approval of shareholders at the Annual General Meeting ("AGM"). Further, the Secretarial Auditor should not have incurred any of the disqualifications as specified by the SEBI.

Pursuant to the amended provisions of Regulation 24A of the Listing Regulations and provisions of Section 204 of the Act, and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("Rules"), the Board of Directors has, at its meeting held on 7th August, 2025, appointed M/s Samdani Shah & Kabra, Company Secretaries, Vadodara a peer reviewed firm of Company Secretaries in Practice (Firm Registration no.: P2008GJ016300 and Peer Review no. 1079/2021) as Secretarial Auditor of the Company for a term of five consecutive financial years commencing from the Financial Year 2025-26 up to the Financial Year 2029-30, subject to the approval of the Members of the Company at this AGM.

Brief Profile

M/s Samdani Shah & Kabra, Company Secretaries is a renowned firm operating from Vadodara with offices located in nine major commercial hubs of the country. They have experience of more than twenty years in the areas of Corporate Secretarial, SEBI Laws, GST, due diligence and Compliance Management. Their clientele includes listed companies including those promoted by Central and State Government.

Eligibility

The firm has confirmed that it is not disqualified and is eligible to be appointed as Secretarial Auditor of the Company under the Act, Listing Regulations and circular(s) issued by SEBI, in this regard.

NOTICE (Contd..)

Mr. S. Samdani, partner of M/s. Samdani Shah & Kabra, has given consent to act as the Secretarial Auditor of the Company and has confirmed that the proposed appointment would be within the prescribed limits under the ICSI Auditing Standards on Secretarial Audit and the Listing Regulations. He has further confirmed that the firm is not disqualified from being appointed as the Secretarial Auditor of the Company.

The terms and conditions of appointment of M/s Samdani Shah & Kabra, Company Secretaries are as follows:

i. Tenure:

M/s Samdani Shah & Kabra, Company Secretaries is proposed to be appointed as Secretarial Auditor of the Company for a term of five consecutive years commencing from the Financial Year 2025-26 up to the Financial Year 2029-30, subject to approval of the Members of the Company at this AGM.

ii. Audit Fees:

Professional fees of ₹ 1,90,000 per annum (Rupees One Lakh Ninety Thousand only) plus applicable taxes and other out-of-pocket expenses in connection with the secretarial audit for the financial year 2025-26 with an increment of not exceeding 7% per annum for subsequent financial year(s) of their term.

The proposed fee is based on their knowledge, expertise, audit experience, assessment by the Company of the time and efforts required to be put in by them. The fees for services in the nature of certifications and other professional work will be in addition to the secretarial audit fee as above and will be determined by the Board in consultation with the Secretarial Auditor.

It is recommended that the Board and/ or any committee be authorized to decide the remuneration and, alter and vary the terms and conditions thereof, arising out of change in their scope of work on account of amendments to the Act, applicable Secretarial Standards, the Listing Regulations or any other regulatory amendment(s).

Further, information in respect of M/s Samdani Shah & Kabra, Company Secretaries is encapsulated in the table below:

Sr. No.	Particulars	Details
1.	Number of years of experience of the individual / Firm proposed to be appointed as Secretarial Auditor	They have experience of more than twenty years in the areas of Corporate Secretarial, SEBI Laws, GST, due diligence and Compliance Management.
2.	Details of orders passed against the proposed Secretarial Auditor by ICSI/SEBI/MCA/any other competent authority / Court, both in India or outside India, in past 5 (five) years	NIL
3.	Whether proposed Secretarial Auditor has rendered any services as prohibited under SEBI Circular dated 31 st December, 2024 directly or indirectly to the Company or its holding company or subsidiary or any associate? If yes, then provide details and actions, if any taken against the Firm	None
4.	Proposed fees payable to the Firm as	Please refer the fee as mentioned in the note above.
5.	Total remuneration/fees, etc. received by the proposed Secretarial Auditor from the Company or group companies (holding, subsidiary, associate, joint ventures) in the last financial year along with details	Fee of ₹ 60,000 for conducting Corporate Governance Audit of the Company for the FY 2024-25.

NOTICE (Contd..)

6.	Past association (name and number of years to be disclosed) of the proposed Secretarial Auditor with:(i) Promoter / Promoter Group during the last 3 years(ii) Group companies (holding, subsidiary, associate, joint ventures) of the listed entity during the last 3 years.	None
7.	Rationale of the Board of Directors for recommending the individual / Firm with past orders, if applicable, against them for appointment as Secretarial Auditor.	Not Applicable

The Board of Directors recommends the appointment of M/s. Samdani Shah & Kabra, Company Secretaries, as Secretarial Auditor of the Company, by way of Ordinary Resolution, as set out at Item no. 11 of the Notice.

None of the Directors or Key Managerial Personnel of the Company and their respective relatives is/are concerned or interested, financially or otherwise, in the resolution set out at Item No. 11 of the Notice.

ITEM NO. 12

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

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

The Board of Directors has vide circular resolution passed on 28th August, 2025, on the recommendation of the Finance-cum Audit Committee, approved the appointment of M/s N. D. Birla & Co. (Firm Registration No. 000028), Cost Accountants, as the Cost Auditor of the Company to conduct audit of the cost records of the Company for the Financial Year 2025-26, at a remuneration of ₹ 4,40,000/- (Rupees Four lakh and Forty Thousand only) plus statutory levies and reimbursement of out of pocket expenses.

Accordingly, consent of the shareholders is sought by way of an Ordinary Resolution as set out at Item No. 12 of the Notice for ratification of the remuneration amounting to ₹ 4,40,000/- (Rupees Four lakh and Forty Thousand only) plus statutory levies and reimbursement of out-of-pocket expenses payable to the Cost Auditor for the Financial Year ending on 31st March, 2026.

None of the Directors or Key Managerial Personnel of the Company and their respective relatives is/are concerned or interested, financially or otherwise, in the resolution set out at Item No. 12 of the Notice.

By Order of the Board

Sd/-

Nidhi Pillai

Company Secretary & Vice President (Legal)
Membership No. A15142

Place: Vadodara
Date: 31st August, 2025

Registered Office:

P.O. Fertilizernagar-391 750, Dist. Vadodara, India
Website: www.gsfclimited.com
E-mail: investors@gsfcld.com
Tel.: +91-265-2242651
Fax: +91-265-2240119

NOTICE (Contd..)

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 & 4, including those relating to special business under items nos. 5 to 12 to be transacted at the 63rd Annual General Meeting ("AGM" / "Meeting"), is annexed to the Notice. The Board of Directors have considered that the special business under items nod. 5 to 12 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. 09/2024 dated 19th September, 2024 regarding "Clarification on holding of Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM)" along with earlier relevant General Circulars issued by the MCA (hereinafter referred to as 'MCA Circulars') from time to time, permitted the Companies whose AGMs are due in the year 2025, to conduct their AGMs up to 30th September, 2025 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 2025. Further, based on the above MCA Circulars, SEBI vide its circular no. SEBI/ HO/ CFD/CFD-PoD-2/P/CIR/2024/133 dated 3rd October, 2024 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, 2025 relating to the requirements specified in Regulation 36(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") which requires sending hard copy of the Annual Report containing salient features of all the documents prescribed under Section 136 of the 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 Listing Regulations, the 63rd AGM of the Company is being held through VC / OAVM. Central Depository Services (India) Limited ('CDSL') will be providing facility for remote e-voting, participation in the AGM through VC / OAVM and e-voting during the AGM. Deemed venue for the 63rd 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 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 e-voting at the AGM. Corporate/Institutional Members intending to authorise their representatives to participate and vote at the AGM 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@gsfcilt.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. The Company has engaged the services of CDSL as the authorized agency for conducting the AGM and providing remote e-Voting and e-Voting facility for/during the AGM of the Company. The instructions for participation by Members are given in the subsequent notes.
6. Any query relating to the financial statements must be sent to the Company's e-mail ID at investors@gsfcilt.com or to the Registered Office of the Company at least seven days before the date of the AGM.
7. In compliance with the MCA Circulars and SEBI Circular as mentioned above, the Notice of 63rd AGM along with Annual Report 2024-25 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 2024-25 has been uploaded on the website of the Company at www.gsfcilt.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.

NOTICE (Contd..)

8. Additionally, in accordance with Regulation 36 (1) (b) of the Listing Regulations, the Company is also sending a letter to Members whose e-mail ids are not registered with Company/RTA/ Depository Participants providing the weblink of the Company's website from where the Annual Report for financial year 2024-25 can be accessed.
9. As per Listing Regulations, physical copy of the Annual Report is required to be sent only to those Members who specifically request for the same. Accordingly, Members who wish to obtain a physical copy of the Annual Report for the financial year 2024-25, may write to the Company at investors@gsfcltd.com, requesting for the same by providing their holding details.
10. Members attending AGM through VC/OAVM shall be counted for the purpose of reckoning quorum under Section 103 of the Act.
11. 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 Wednesday, 10th September, 2025 to Wednesday, the 24th September, 2025 (both days inclusive), for determining the Members entitled for dividend.

DIVIDEND RELATED INFORMATION

12. The Board of Directors of the Company, at its meeting held on 20th May, 2025, has recommended a dividend of ₹ 5.00 per equity share of ₹ 2 each (250%) fully paid up, for the financial year 2024-25. The Company has fixed Tuesday, 9th September, 2025 as the "Record Date" for determining entitlement of Members to receive dividend for the FY 2024-25. Dividend, if declared, at the AGM, will be credited / dispatched on or after 30th September, 2025 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.
13. In terms of the provisions of the Income-tax Act, 1961, ("IT Act"), dividend paid or distributed by a Company on or after 1st April 2020 is taxable in the hands of the shareholders. The Company shall, therefore, be required to deduct tax at source (TDS) at the time of payment of dividend. The tax rates would vary depending on the residential status of the shareholder and exemptions as enumerated in the Act, subject to fulfilling the documents requirements as provided herein below:

i. For resident shareholders

Tax will be deducted at source ("TDS") under Section 194 of the IT Act at the rate of 10% on the amount of dividend payable unless exempt under any of the provisions of the IT 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 ₹ 10,000/-.

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.

The said form(s) may be provided by the shareholder, by way of an e-mail at vadodara@in.mpms.mufg.com, or may be uploaded on the Company's Registrar & Transfer Agent – MUFG Intime India Private Limited (Formerly Link Intime India Private Limited) ("RTA") portal at <https://web.in.mpms.mufg.com/formsreg/submissionof-form-15g-15h.html>.

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 IT Act.

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

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 [including email (optional), mobile number, bank account details] and nomination in respect of physical folios. Kindly ensure these details are updated with the RTA to avail uninterrupted service request and credit of dividend 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.

NOTICE (Contd..)

ii. 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 IT Act at applicable rates in force. As per the relevant provisions of the IT 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 IT 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 IT Act, a non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the shareholder, if they are more beneficial to the shareholder. 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;
- (ii) Self-attested copy of Tax Residency Certificate ("TRC") obtained for the current year from the tax authorities of the country of which the shareholder is resident. In case, TRC is furnished in a language other than English, the same would have to be translated to English language and thereafter duly notarized and apostilled copy of TRC would have to be provided;
- (iii) Electronically generated online Form 10F from the Income Tax Portal;
- (iv) Self-declaration about no permanent establishment (refer format) by the non-resident shareholder of meeting treaty eligibility requirement and satisfying beneficial ownership requirement.
- (v) In case of Foreign Institutional Investors and Foreign Portfolio Investors, self-attested copy of SEBI registration certificate.
- (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).

Non-resident shareholders are required to submit self-attested copy of Form 10F, Tax Residency Certificate, self-declaration that the shareholder does not have a permanent establishment in India and copy of the PAN allotted by the Indian Income Tax Authorities for opting beneficial rate under the Tax Treaty.

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 IT 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 IT Act. To enable us to determine the appropriate TDS / withholding tax rate applicable, we request you to provide the above details and documents before Record Date.

14. To summarize, dividend will be paid after deducting the tax at source as under:
 - i. NIL for resident individual shareholders receiving dividend up to ₹ 10,000 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 IT Act.
 - iv. 20% for resident shareholders if copy of PAN card is not provided / not available / inoperative PAN.
 - v. Tax will be assessed on the basis of documents submitted by the non-resident shareholders.

NOTICE (Contd..)

- 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 IT Act.

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

Clearing member should ensure that as on the 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 to that effect with Company in the manner prescribed by the Rules on or before Record date. The Company will not accept any declarations referred to Rule 37BA of Income Tax Rules, 1962 after the Record Date.

- 15. An email communication for Tax Deduction at Source (TDS) on Dividend for the Financial Year 2024-25 has been sent to the shareholders on 23rd July, 2025.
- 16. In case tax on dividend is deducted at a higher rate in the absence of providing required documents or defect in any of the aforementioned details / documents, shareholders will be able to claim refund of the excess tax deducted by filing ITR (Income Tax Return). No claim shall lie against the Company for such taxes deducted.

17. 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.

18. 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 the RTA. 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.

19. Updating of Bank account details

In case of shares in the demat form, shareholders are requested to submit / update their bank account details with their Depository Participants. In case of shares held in physical form, shareholders will have to submit a scanned copy of a covering letter, duly signed, along with a cancelled cheque leaf with their name and bank account details and a copy of self-attested PAN card. This will facilitate receipt of dividend directly into the shareholder's bank account. In case the cancelled cheque leaf does not bear the shareholder's name, please attach a self-attested copy of the bank pass-book statement.

The required documents (duly completed and signed) have to be submitted to the RTA, by clicking the URL Link <https://web.in.mpms.mufig.com/formsreg/submission-of-form-15g-15h.html> till Record date.

- 20. 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 the RTA at its email address at vadodara@in.mpms.mufig.com.

- 21. The soft copy of TDS Certificate in respect of tax deducted, if any, will be emailed at shareholder's registered email ID post payment of dividend. Shareholder can also check their tax credit in Form 26AS from the e-filing account at <https://www.incometax.gov.in/iec/foportal> or "View Your Tax Credit" on <https://www.tdscpc.gov.in>.
- 22. In terms of Schedule I of the 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.

NOTICE (Contd..)

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 RTA 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.

23. In accordance with the provisions of Section 152(6) of the Act, Mr. S J Haider, IAS (DIN: 02879522) will retire by rotation at the forthcoming AGM and, being eligible, has offered himself for re-appointment. Pursuant to Regulation 36 of the Listing Regulations, additional information in respect of Mr. S J Haider, IAS (DIN: 02879522), is annexed to the Notice.

IEPF RELATED INFORMATION

24. Pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, the amount of unclaimed dividend up to FY 2016-17 has 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, 2025 is available on the website of the Company at www.gsfclimited.com.
25. 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 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.
26. The Members who have not encashed dividend warrant(s) for the years, 2017-18, 2018-19, 2019-20, 2020-21, 2021-22, 2022-23 and 2023-24 are requested to claim payment immediately by writing to the Company's RTA at the address given herein. After seven years, unclaimed dividend shall be transferred to the IEPF. 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, 2025 has been uploaded on the Company's website (www.gsfclimited.com) and also filed with the MCA.
27. The unclaimed dividend for the below-mentioned years and the corresponding shares will be transferred by the Company to IEPF in accordance with the schedule given below. In this regard, we have informed, vide our Notice published in newspaper dated 4th June, 2025, to all those shareholders who have not claimed their unpaid dividend for a consecutive period of seven years from financial year 2017-18, requesting them to write or contact to Company Secretary, GSFC Limited, Fertilizernagar 391750, Vadodara, Gujarat or Company's RTA i.e MUFG Intime India Private Limited, "Geetakunj", 1, Bhaktinagar Society, Behind ABS Towers, Old Padra Road, Vadodara 390015, Gujarat. and claim their dividend amount before due date of transfer to IEPF Authority. The due date(s) of transfer of shares and dividend to IEPF Authority is given below:

Financial year	Date of Declaration of Dividend	Due Date for transfer of shares and dividend to IEPF
2017-18	28/09/2018	03/11/2025
2018-19	27/09/2019	02/11/2026
2019-20	30/09/2020	05/11/2027
2020-21	27/09/2021	02/11/2028
2021-22	27/09/2022	02/11/2029
2022-23	22/09/2023	28/10/2030
2023-24	24/09/2024	30/10/2031

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

NOTICE (Contd..)

29. 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 RTA, at the address given above.
30. 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/ RTA.

31. INSPECTION OF DOCUMENTS

All documents referred to in this Notice and Statement u/s. 102 of the Act along with the Statutory Registers maintained by the Company as per the Act, will be available for inspection in electronic form 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/ investors@gsfcltd.com.

INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM:

32. The detailed process, instructions and manner for availing remote e-Voting, attending AGM through VC/OAVM and E-Voting facility during the AGM are 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 Listing Regulations, the Company is providing facility to vote, for resolutions proposed to be considered at the 63rd AGM of the Company, by electronic means ("e-Voting"). The facility is being 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).
- ii. 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.
- iii. The Company has fixed Wednesday, 17th September, 2025, as the 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.
- iv. The remote e-Voting period shall commence on **Saturday, 20th September, 2025 at 09:00 a.m. (IST) and end on Tuesday, 23rd September, 2025 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, 2025 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5:00 p.m. on Tuesday, 23rd September, 2025. 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. Wednesday, 17th September, 2025 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.

A. VOTING THROUGH ELECTRONIC MEANS

- i. Login method for remote e-Voting and e-Voting during the AGM for Individual Shareholders holding securities in demat mode.

NOTICE (Contd..)

Login method for Individual Shareholders holding securities in demat mode 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 URL for 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 e-Voting is in progress as per the information provided by the company. On clicking the e-Voting 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. Additionally, links to access the system of all e-Voting Service Providers i.e. CDSL/ NSDL/KFIN/MUFGINTIME is also provided, 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 http://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 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 e-voting 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 personal computer or on a mobile. 2) 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. 3) 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-CDSL and you will be re-directed to the CDSL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4) 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 https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 5) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on 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. 6) A new screen will open. You will have to enter your User ID (i.e. your 16 digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. 7) 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- CDSL and you will be redirected to e-Voting website of CDSL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

NOTICE (Contd..)

	8) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp . You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/ mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	1) You can also login using the login credentials of your Demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 2) 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. 3) Click on Company name or e-Voting service provider name -CDSL and you will be redirected to e-Voting website of CDSL 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

- ii. Login method for remote e-Voting and e-Voting during the AGM for Shareholders holding securities in physical mode and Shareholders other than Individual Shareholders holding securities in demat mode.
 - A. The shareholders should log on to the e-voting website www.evotingindia.com.
 - B. Click on “Shareholders” module.
 - C. 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.
 - D. Next enter the Image Verification as displayed and Click on Login.
 - E. If you are holding shares in demat mode 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.
 - F. If you are a first-time user follow the steps given below:

NOTICE (Contd..)

For Shareholders holding securities in physical mode and Shareholders other than Individual Shareholders holding securities in demat mode.

	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 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.

- G. After entering these details appropriately, click on “SUBMIT” tab.
- H. Shareholders holding shares in physical mode will then directly reach the Company selection screen. However, shareholders holding shares in demat mode 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 account 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.
- I. For shareholders holding shares in physical mode, the details can be used only for e-voting on the resolutions contained in this Notice.
- J. Click on the EVSN for <Gujarat State Fertilizers & Chemicals Limited> on which you choose to vote.
- K. 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.
- L. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- M. 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.
- N. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- O. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- P. 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 and enter the details as prompted by the system.
- Q. There is also an optional provision to upload BR/POA, if any uploaded, which will be made available to scrutinizer for verification.
- R. 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.

NOTICE (Contd..)

- The list of accounts linked in the login will be mapped automatically and 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 mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at the email address csneerajtrivedi@gmail.com and to the Company at the email address 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.

B. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM AND E-VOTING DURING THE AGM

- i. The procedure for attending the AGM and e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
- ii. Members attending the AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- iii. The facility for joining the AGM shall open 15 minutes before the scheduled time for commencement of the AGM.
- iv. The link for VC/OAVM to attend the AGM will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
- v. Shareholders are encouraged to join the AGM through Laptops / Tablets for better experience.
- vi. Further Shareholders will be required to allow camera (for those registered as speakers) and use Internet with a good speed to avoid any disturbance during the AGM.
- vii. 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.
- viii. **Members (holding shares as on Cut-off date) who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request, on or before Tuesday, 16th September, 2025, from their registered e-mail address mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at investors@gsfcltd.com. Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.**
- ix. 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.
- x. Only those Shareholders, who are present in the AGM through VC 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.
- xi. 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 facility, then the votes cast by such Shareholders shall be considered invalid as the facility of e-Voting during the meeting is available only to the Shareholders attending the AGM.
- xii. **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES**
 - a. 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.
 - b. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant.

NOTICE (Contd..)

- c. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant 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 e-mail 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 e-mail to or call on toll free no. 1800 21 09911.

33. 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.
34. Declaration of results on the resolutions:
- 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 Chairman or a person authorised by him, in writing, who shall countersign the same.
 - 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.
35. 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.
36. 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@gsfc ltd.com

Registrar & Share Transfer Agent:

MUFG Intime India Private Limited (Unit: GSFC)

Geetakunj, 1, Bhaktinagar Society, Behind ABS Tower, Old Padra Road, Vadodara - 390 015, Gujarat.
Tel No: +91 265 -3566768
E-mail id: vadodara@in.mpms.mu fg.com

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

63RD BOARD'S REPORT

To
The Members,

Your Directors take pleasure in presenting herewith the 63rd Board's Report on the business and operations together with audited financial statements of the Company for the financial year ended 31/03/2025.

1. Financial highlights of the Company

(₹ in Crores)

Particulars	Standalone		Consolidated	
	2024-25	2023-24	2024-25	2023-24
Gross Sales	9,428.71	8,932.12	9,533.96	9,154.64
Other Income	312.95	376.17	314.68	376.89
Total Revenue	9,741.65	9,308.29	9,848.64	9,531.53
Less : Operating Expenses	8,799.82	8449.7	8,902.06	8,641.47
Operating Profit	941.83	858.59	946.58	890.06
Less : Finance Cost	10.08	11.19	10.08	11.20
Gross Profit	931.75	847.40	936.50	878.86
Less : Depreciation	191.57	183.02	192.02	183.48
Exceptional Item	0	0	0	0
Profit before Taxes	740.18	664.38	744.48	695.38
Shares in Profit/(Loss) of Associates	0	0	11.79	8.41
Profit before taxes after Associates	740.18	664.38	756.27	703.79
Taxation				
• Current Tax	115.96	151.66	115.98	151.67
• Deferred Tax (net)	57.61	-2.28	55.66	-2.37
• Mat Credit recognized	0	0	0	0
• Earlier year tax	-6.57	-9.32	-6.53	-9.29
Profit after taxes	573.18	524.32	591.16	563.78
Non-controlling Interest	0	0	0	0
Other comprehensive income arising from re-measurement of defined benefit plan	-46.81	-225.36	-46.86	-225.36
Balance brought forward from last year	1,104.76	1,404.27	1,208.83	1,468.62
Amount available for appropriations	1,631.13	1,703.24	1,753.13	1,807.31
Payment of Dividend				
- Dividend	159.39	398.48	159.39	398.48
Transfer to General Reserve	370.00	200.00	370.00	200.00
Leaving a balance in the Profit & Loss Account	1,101.74	1,104.76	1,223.74	1,208.83

2. Dividend

Considering the financial results and performance of the Company during the year under review, the Board of Directors ("Board"), at the meeting held on 20/05/2025 has recommended a final dividend of ₹ 5/- per equity share of face value of ₹ 2/- each (@ 250%) on 39,84,77,530 equity shares (Previous Year 200% i.e. ₹ 4/- per share on 39,84,77,530 equity shares of ₹ 2 each) for the financial year ended 31/03/2025, for consideration at the 63rd Annual General Meeting ("AGM") of the Company. The dividend shall be paid to those members whose names shall appear on the Register of Members of the Company on Record Date i.e. on 09/09/2025.

BOARD'S REPORT (Contd..)

The total outgo on account of final dividend, if approved by shareholders, shall be ₹ 199.24 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 2024-25. The policy is placed on the Company's website at

[https://www.gsfclimited.com/Content/writereaddata/SEBI/20.%20DIVIDEND DISTRIBUTION POLICY.pdf](https://www.gsfclimited.com/Content/writereaddata/SEBI/20.%20DIVIDEND%20DISTRIBUTION%20POLICY.pdf)

3. Indian Accounting Standards

The financial statements of the Company for the FY 2024-25, have been prepared in accordance with IND-AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Act, as amended from time to time.

4. Transfer to reserves

The Company has transferred ₹ 370 crores to general reserves.

5. Brief description of the Company's working during the year

Standalone financials

Your Directors wish to report that the Company has achieved turnover of ₹ 9,429 crores for the year ended 31/03/2025 as against ₹ 8,932 crores (FY 23-24) on standalone basis, registering a growth of 5.56% at ₹ 497 crores.

Similarly, for the year under review, the Profit Before Tax (PBT) was ₹ 740 crores and Net Profit was ₹ 573 crores as against PBT of ₹ 664 crores and Net Profit of ₹ 524 crores for the previous Financial Year.

Consolidated financials

Your Directors wish to report that the Company has achieved turnover of ₹ 9,534 crores for the year ended 31/03/2025 as against ₹ 9,155 crores (FY 23-24) on consolidated basis, registering a growth of 4.14% at ₹ 379 crores.

Similarly, for the year under review, the Profit Before Tax (PBT) was ₹ 744 crores and Net Profit was ₹ 591 crores as against PBT of ₹ 695 crores and Net Profit of ₹ 564 crores for the previous Financial Year.

6. Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of the report

There have been no material changes and commitments which affect the financial position of the Company, that have occurred between the end of financial year to which the financial statement relates and the date of this report.

7. 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 orders that impact the going concern status and Company's operation except those which have been appropriately challenged before the judiciary. The Company believes that as of now none of these *sub-judice* matters impact the going concern status and Company's operations.

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

Your Company has implemented a comprehensive Internal Control System over financial reporting which commensurate with the size, scale and complexity of its operations. The Finance-cum-Audit Committee of the Company 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.

9. Share Capital

The paid-up equity share capital of the Company as on 31st March, 2025, was ₹ 79,69,55,060. During the year under review, there has been no change in the authorized, issued, subscribed and paid up share capital, including any reclassification or sub-division thereto.

BOARD'S REPORT (Contd..)

During the year under review, the Company has not

- i. bought back any of its securities;
- ii. issued any Sweat Equity Shares;
- iii. Issued any Bonus Shares; or.
- iv. Provided any Stock Option Scheme to its employees.

10. Details of Subsidiary / Joint Ventures / Associate Companies

The Company has following subsidiaries and associate companies as of 31/03/2025 and as on the date of the report:

Sr. no.	Name	Shareholding of the Company	Brief details
Subsidiary Companies			
1.	GSFC Agrotech Limited	100%	Incorporated on 02/04/2012, this company is engaged into providing farmers with reliable, high-quality agri-inputs and services, including fertilizers, agro-products, and related services.
2.	Gujarat Port and Logistics Company Limited	60%	Incorporated on 03/02/2020, this Joint Venture with Gujarat Maritime Board is primarily engaged into developing logistics facilities and related infrastructure, across the state of Gujarat.
3.	Vadodara Jal Sanchay Private Limited	60%	Incorporated on 22/07/2020 as a Special Purpose Vehicle by the Company, Gujarat Alkalies and Chemicals Limited ('GACL'), Gujarat Industries Power Company Limited ('GIPCL') and Vadodara Municipal Corporation is formed, for the purpose of undertaking the project of Tertiary Treatment of Waste Water.
Associate Companies			
4.	Vadodara Enviro Channel Limited	28.57%	Incorporated on 12/11/1999, this company is in the business of conveyance of the treated waste water for more than 250 industrial units in and around Vadodara District of Gujarat state through the 55 km long channel and safely disposing the same into the Bay of Cambay.
5.	Gujarat Green Revolution Company Limited	46.87%	Incorporated on 27/11/1998, is jointly promoted by the Company along with Gujarat Narmada Valley Fertilizers & Chemicals Ltd. (GNFC) and Gujarat Agro Industries Corporation Limited (GAIC), this company functions as an implementing agency appointed by the Government of Gujarat and is recognized by the Government of India for implementing the Micro Irrigation Scheme in the State of Gujarat.
6.	Gujarat Data Electronics Limited	23%	Incorporated on 29/08/1985, this Company operates in the Information Technology sector. This is a dormant company on the date of this report.
7.	Karnalyte Resources Inc.	47.73%	Incorporated in 2007, this is a Canada based body corporate, primarily engaged in the exploration and development of its property and possible construction of a production facility and development of a potash mine.

BOARD'S REPORT (Contd..)

As of 31/03/2025, the Company does not have any material subsidiary in terms of the Listing Regulations and Company's policy on determining material subsidiary.

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 ("Act") is provided at Annexure - A to the Consolidated Financial Statement and hence not reproduced here for the sake of brevity.

Change in share capital of Vadodara Jal Sanchay Private Limited ("VJSPL")

During the year under review, the Board and Shareholders of VJSPL, at their respective meetings held on 20/02/2025 approved an increase in its authorized share capital from ₹ 2,00,00,000 divided into 20,00,000 equity shares of ₹ 10/- each to ₹ 52,00,00,000 divided into 5,20,00,000 equity shares of ₹ 10/- each.

VJSPL raised funds by further issue of capital on 20/02/2025, through Rights issue of 2,40,00,000 Equity Share of ₹ 10/- each to its existing shareholders in the ratio of 12 equity shares for every 1 existing equity share held. Post issue of share capital, the total authorized capital and paid-up capital of VJSPL is ₹ 52,00,00,000 crores and ₹ 26,00,00,000 crores, respectively.

The Company participated in the Rights issue of shares of VJSPL and invested ₹ 14.40 crores against allotment of 1,44,00,000 equity shares of ₹ 10/- each.

11. 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 fees for the FY 25-26 has been timely paid 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, 98.60% of shares are held in dematerialized form.

12. 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 under the Listing Regulations and the report on Corporate Governance, together with the Certificate of M/s. Samdani Kabra & Associates, Company Secretaries, Vadodara which forms part of this Annual Report.

In terms of the provisions of Regulation 34(2) of the Listing Regulations, the Management Discussion and Analysis Report outlining the business of your Company forms part of this Annual Report.

13. Business Responsibility & Sustainability Report

In terms of Regulation 34(2) of the Listing Regulations, Business Responsibility and Sustainability Report for the financial year 2024-25 is placed on the Company's website at

https://www.gsfclimited.com/Content/writereaddata/Portal/Document/158_1_1_BRSR_2024-25.pdf

14. Deposits from public

The Company has discontinued accepting new deposits since 15/11/2005 and renewing the deposits since 31/03/2009 and hence, the Company has not transferred any amount being unclaimed deposits and interest thereon to the Investors Education and Protection Fund.

15. Details of loans availed from Directors or their relatives

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

16. Insurance

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

17. 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/Committee.

18. Expansion and Diversification

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

BOARD'S REPORT (Contd..)

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

Your Company has successfully relocated seven Wind Mills from Mahidad site to Rajkot site in October, 2024, to facilitate the operation of Rajkot International Airport.

20 MTPD HX Crystal Project at Vadodara Unit

Your Company has expanded and successfully commissioned 20 MTPD HX Crystal Plant at Vadodara unit in October, 2024. This project is aimed towards addressing the demand-supply gap in Industrial Product segment, providing product mix flexibility towards profitability and is also an import substitute. This project has been executed based on in-house technology and expertise.

Urea Plant Revamping Project

During the year under review, the Company has completed revamping of its vintage Urea plant to enhance its operational efficiency. Your company has successfully commissioned the revamped Urea plant in May, 2025.

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

During the year under review, the Company has completed refurbishment activities of its Ammonium Sulphate-I (AS-I) & Ammonium Sulphate-II (AS-II) plants in March, 2025, to improve plant efficiency and reliability.

Renewable energy projects

As a step towards enhancing our renewable energy portfolio, your Company has successfully commissioned following projects;

- i. 1.0 MW (AC) Floating Solar Power Plant at its Fiber Unit at Kosamba, Surat in October, 2024;
- ii. 15 MW (AC) Ground Mounted Solar Power Plant at Charanka, Gujarat in May, 2025; and
- iii. 75 MW Solar Power Project of GIPCL, in Group captive mode with GACL 25 MW Solar Power Project (Phase-I) was successfully commissioned in April, 2025 and balance 50 MW (Phase-II) was commissioned in June, 2025 (GSFC and GACL hold 50% share each in the project).

600 MTPD Sulphuric Acid Plant at Vadodara Unit

Your Company is setting up 600 MTPD Sulphuric Acid Plant on Lump Sum Turnkey basis at Vadodara Unit to cater the requirement of Sulphuric Acid for manufacturing of fertilizers like Ammonium Sulphate and Ammonium Phosphate Sulphate. Further, the steam generated therefrom shall be available for utilization at the Vadodara complex. The Project is under execution stage and is expected to be commissioned during the third quarter of FY 2025-26.

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 set up a 600 MTPD Phosphoric Acid Plant and 1800 MTPD Sulphuric Acid Plant at Sikka Unit. The Company has partnered with leading technology providers for setting up of the said plants respectively. The contract for setting up of the plant shall be awarded in the current financial year and it is expected to be commissioned by FY 2028-29.

Development of Dahej Complex

The Company is in the process of forming up its expansion plans in Dahej. A business plan is identified and based thereon, a detailed project report is also prepared. The Board has approved phase I of the Project and the same is under implementation.

19. 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 Act read with the Companies (Accounts) Rules, 2014 is enclosed in Annexure C of this report.

The details under Section 197 (12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have been disclosed in the Corporate Governance Report forming part of the Board's Report.

20. Corporate Social Responsibility

The Company has constituted a Corporate Social Responsibility ("CSR") Committee in accordance with Section 135 of the Act. The Company has undertaken CSR projects in the areas of education, livelihood, health, water and sanitation.

BOARD'S REPORT (Contd..)

Annual Report on CSR activities undertaken during the financial year ended 31/03/2025 in accordance with Section 135 of the Act read with the Companies (CSR Policy) Rules 2014 is enclosed as Annexure A to this report.

The CSR Policy of the Company is available on the Company's website at

https://www.gsfclimited.com/Content/writereaddata/Portal/Document/7_1_1_CSR_Policy_2021.pdf

Impact assessment

The impact assessment report of GSFC Fertilizernagar School for the financial year 2024-25 is available on website of the Company at

https://www.gsfclimited.com/Content/writereaddata/Portal/Document/129_1_1_Fertilizernagar_School_Impact_Assessment_Report.pdf

The impact assessment report of GSFC University for the financial year 2024-25 is available on website of the Company at

https://www.gsfclimited.com/Content/writereaddata/Portal/Document/128_1_1_GSFC_Universty_Impact_Assessment_Report.pdf

21. Risk Management

The Company recognizes that risk is an integral and inevitable part of the business and it is fully committed to managing risk proactively and efficiently.

The Board has constituted a Risk Management Committee ("RMC"). 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.

The RMC review the Risk Report and Risk Management Framework of the Company which gives an overview on the management of key risks, as identified by the Company, financial impact and measures taken to mitigate the same. Critical matters, if any, are also placed before the Board for its review.

Based on the recommendation of RMC, the Board revised the Risk Management Policy at its meeting held on 05/08/2024 to align it with the amendments to the Listing Regulations from time to time and the practices being followed in the Company.

There are no risks which, in the opinion of the Board, threaten the existence of the Company.

22. Directors, Key Managerial Personnel & Senior Management Personnel

The composition of the Board of Directors of the Company, as on 31/03/2025 and the date of this Report is as follows

Sr. No.	Name of Directors	Category
1.	Mr. Pankaj H. Joshi, IAS - Chairman (DIN: 01532892)	Non- Executive, Non-Independent Director
2.	Mr. Kamal Dayani, IAS - Managing Director (DIN: 05351774) (till 31/07/2025)	Executive, Non-Independent Director
3.	Mr. Sanjeev Kumar, IAS - Managing Director (DIN: 03600655) (w.e.f 01/08/2025)	Executive, Non-Independent Director
4.	Mr. Tapan Ray, IAS (Retd.) (DIN: 00728682) (till 01/09/2025)	Non-Executive, Independent Director
5.	Dr. Ravindra Dholakia (DIN: 00069396) (till 01/09/2025)	Non-Executive, Independent Director
6.	Mrs. Gauri Kumar, IAS (Retd.) (DIN: 01585999)	Non-Executive, Independent Director
7.	Dr. Sudhir Kumar Jain (DIN: 03646016)	Non-Executive, Independent Director
8.	Mr. Syed Jawaid Haider, IAS (DIN: 02879522)	Non-executive, Non-independent Director
9.	Dr. Thiruvankadam Natarajan, IAS (DIN: 00396367)	Non-executive, Non-independent Director
10.	Dr. Rama Shanker Dubey (DIN: 11265952) (w.e.f 02/09/2025)	Non-Executive, Independent Director
11.	Prof. Sundaravalli Narayanaswami (DIN: 06973448) (w.e.f 02/09/2025)	Non-Executive, Independent Director

Note:

Mrs. Gauri Kumar, IAS (Retd.) (DIN: 01585999) and Dr. Sudhir Kumar Jain (DIN: 03646016) are proposed to be re-appointed as Independent Director of the Company for a second term effective 02/09/2025, subject to approval of the Members of the Company at the ensuing Annual General Meeting of the Company.

BOARD'S REPORT (Contd..)

In order to avoid duplication of information, we have given the changes in composition of Board of Directors between 01/04/2025 and the date of this report in the Corporate Governance Report. Shareholders are requested to refer the same.

I. Declaration by Independent Directors for FY 2024-25

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. Mr. Tapan Ray, IAS (Retd.); Mrs. Gauri Kumar, IAS (Retd.); Dr. Ravindra Dholakia, and Dr. Sudhir Kumar Jain have submitted their declarations confirming compliance with the criteria of independence as stipulated thereunder. Further, the newly appointed independent directors, Dr. Rama Shanker Dubey and Prof. Sundaravalli Narayanswami, have also given declarations towards compliance of the criteria of independence.

All the 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 2024-25. The Board has taken on record declarations and confirmations submitted by the Independent Directors regarding fulfillment 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.

Certificate of Non-debarment

A certificate dated 30/07/2025 has been obtained from Mr. Niraj Trivedi, Practicing Company Secretary (C P No. 3123), confirming that none of the directors on the Board of the Company as on 31/03/2025 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 and the said certificate forms part of this report.

Details of the Company's policy on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters as stipulated under Section 178(3) of the Act, forms part of the Corporate Governance report. The Nomination and Remuneration Policy of the Company is available on the Company's website at:

https://www.gsfclimited.com/Content/writereaddata/Portal/Document/5_1_1_Nomination.pdf

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.

II. Changes in Key Managerial Personnel

Mr. Vishvesh D. Nanavaty, erstwhile Executive Director (Finance) & Chief Financial Officer of the Company superannuated on 31/05/2024. Mr. Sanjay Kumar Bajpai, Senior Vice President (Finance & Legal) has been appointed as Chief Financial Officer and Key Managerial Personnel ("KMP") of the Company with effect from 01/06/2024.

Mr. Kamal Dayani, IAS (Retd.) (DIN 05351774) ceased to be the Managing Director and KMP of the Company on 31/07/2025. Mr. Sanjeev Kumar, IAS (DIN 03600655) has been appointed as the Managing Director and KMP of the Company w.e.f 01/08/2025.

As on the date of this report, following officials are the KMPs of the Company;

1. Mr. Sanjeev Kumar, IAS, Managing Director;
2. Mr. S.K. Bajpai, Chief Financial Officer and Senior Vice President (Finance & Legal);
3. Ms. Nidhi Pillai, Company Secretary & Vice president (Legal) and Compliance Officer.

BOARD'S REPORT (Contd..)

III. Changes in Senior Managerial Personnel

The details pertaining to changes in the Senior Management Personnel as on 31st March, 2025 have been detailed in the Corporate Governance Report which forms part of this Annual Report.

IV. Board Evaluation

The Independent Directors, at their meetings held on 23/07/2024 and 17/05/2025 conducted performance evaluation of the Chairman and the Non-Independent Directors and the Board, as a whole. Further, the Board has, at its meetings held on 23/05/2024 and 20/05/2025 carried out the annual performance evaluation of its own performance, its Committees and the Directors, individually.

The manner of performance evaluation is explained in the Corporate Governance Report which forms the part of this Annual Report.

23. Meetings of the Board and Committees

The details of the number of meetings of the Board of Directors and its Committees held during the financial year 2024–25 are tabulated below

Sr. No	Particulars	Number of Meeting
1.	Board of Directors	5
2.	Finance-cum Audit Committee	5
3.	Nomination and Remuneration Committee	2
4.	Stakeholders' Relationship Committee	1
5.	Corporate Social Responsibility Committee	1
6.	Risk Management Committee	2

The composition of the Board and Committees along with details of attendance is elaborated in Corporate Governance Report which forms part of this Annual Report.

24. Details of establishment of Vigil Mechanism for the 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 the directors and employees to report genuine concerns. The Company has a Vigil Mechanism / Whistle Blower Policy to deal with instances of 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 which forms part of this Annual Report.

25. Reporting of fraud by Auditors

During the year under review, the Statutory, Secretarial and Cost Auditors of the Company have not reported any instance of fraud to the Finance-cum Audit Committee or to the Board, under Section 143(12) of the Act and rules made thereunder.

26. Disclosure as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Maternity Benefit Act, 1961

During the year under review, 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).

There details pertaining to complaint(s) received and disposed of, for the year under review are as follows

Number of Complaints received	Number of Complaints disposed off	Number of complaints pending for more than 90 days
NIL	NIL	NIL

During the year under review, the Company has complied with all the provisions of the Maternity Benefit Act, 1961.

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.

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.

Investment in the preferential issue of GIPCL

The Board, at its 629th meeting held on 27/03/2024, approved participation in the preferential issue of equity shares of GIPCL by investment of up to ₹ 50 crore, on private placement basis, for setting up 75 MW AC Solar Power Plant by GIPCL under group captive mode.

The Company paid consideration of ₹ 44.99 crores on 26/03/2025 for acquisition of 19,82,278 equity shares of GIPCL of ₹ 10/- each at an issue price of ₹ 227/- per equity share including premium of ₹ 217/- per share. The post issue shareholding of the Company has changed from 14.79% to 15.68% of the total paid up share capital of GIPCL.

The solar power project has been fully commissioned and the Company has started receiving power wef 26/06/2025. Upon setting up of the project, GSFC, as a consumer will benefit as it will result in reduction of overall energy cost of the Company.

29. Particulars of contracts or arrangements with related parties

All related party transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. The Company has not entered into contracts / arrangements / transactions with related parties which could be considered material in accordance with Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 and the Company's Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions ("RPT Policy").

In terms of Sections 177 and 178 of the Act read with Regulation 23 of the Listing Regulations, all related party transactions have been approved by the Finance-cum-Audit Committee and also the Board. 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 and monitoring of related party transactions.

Based on the recommendation of the Finance-cum-Audit Committee, the RPT Policy of the Company was revised by the Board at its meeting held on 10/02/2025, to align the same with the amendments to the Listing Regulations notified vide SEBI Listing Regulations, 2024. The updated RPT Policy is available at the Company's website at https://www.gsfclimited.com/Content/writereaddata/SEBI/7.%20Policy_on_dealing%20with%20Related_Party_Transactions.pdf

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 which forms part of this Annual Report.

31. Directors' Responsibility Statement

Pursuant to Section 134(3)(c) of the Act, your Directors confirm that

- i. In the preparation of the annual accounts, the applicable accounting standards had been followed and no material departures have been made from the same;
- ii. The appropriate accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31/03/2025 and of the profit and loss of the Company for a period from 01/04/2024 to 31/03/2025;

BOARD'S REPORT (Contd..)

- iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Annual accounts have been prepared on a going concern basis;
- v. Adequate internal financial controls have been laid down by the Company and are operating effectively; and
- vi. Adequate systems to ensure compliance with the provisions of all applicable laws have been laid down by the Company and are operating effectively.

32. Auditors**i. Statutory Auditors**

The report issued by M/s Parikh Mehta and Associates on the standalone and consolidated financial statement of the Company for the year ended on 31/03/2025, does not contain any qualification, observation, or remarks which have an adverse effect on the functioning of the Company and therefore, do not call for any comments from the Directors.

The Board, at its Meeting held on 07/08/2025, has approved appointment of M/s CNK & Associates LLP, Chartered Accountants (Firm Registration No. 101961W/W-100036) as the Statutory Auditor of the Company for a period of 3 consecutive years from the conclusion of 63rd Annual General Meeting till the conclusion of 66th Annual General Meeting covering a period of 3 years from FY 2025-26 to FY 2027-28.

Brief profile of M/s CNK & Associates LLP is included in the Notice of the 63rd Annual General Meeting. The Auditors have given their consent for appointment and have confirmed that they are eligible for the same.

ii. Cost Auditors

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

The Cost Audit report for the F.Y. 2024-25 submitted by M/s Dhananjay V Joshi & Associates will be filed within the stipulated time.

On the basis of recommendation of Finance-cum-Audit Committee, the Board, by way of circular resolution dated 26/08/2025, approved the appointment of M/s N. D. Birla & Co. (Firm Registration No. 000028), Cost Accountants, as the Cost Auditors of your Company to conduct the audit of cost records for the Financial Year 2025-26. The remuneration proposed to be paid to the Cost Auditor is placed for your ratification at the ensuing 63rd Annual General Meeting.

iii. Internal Auditor

As per the recommendation of the Finance-cum-Audit Committee, the Board of the Company at its Meeting held on 20/05/2025 re-appointed M/s. K.C. Mehta & Co. LLP, Chartered Accountants, Vadodara (Firm Registration No. 106237W/ W100829) as Internal Auditors for conducting Internal Audit for its Baroda and Sikka units for the F.Y. 2025-26 & FY 2026-27.

Further, the Company has re-appointed M/s Bimal Thacker & Associates, Chartered Accountants, Vadodara, and M/s K.N. Mehta & Co., Chartered Accountants, Vadodara, to conduct inventory audit at Sikka unit and Audits of Warehouses/ Regional / IP / liaison offices within and outside Gujarat.

The Internal Auditors independently evaluate the internal controls, adherence to and compliance with the procedures, guidelines and statutory requirements. The Finance-cum-Audit Committee of Directors periodically reviews the reports of the Internal Auditors and the corrective actions taken by the Management.

iv. Secretarial Auditors & Secretarial Audit Report

The Board at its meeting held on 07/08/2025, has approved the appointment of M/s Samdani Shah & Kabra, Company Secretaries, Vadodara (Registration no. P2008GJ016300 and Peer Review no. I079/2021) as the Secretarial Auditors of the Company for a term of 5 consecutive years from FY 2025-26 to FY 2029-30. The Secretarial auditors have confirmed that they are not disqualified to be appointed as such.

Brief profile of the Secretarial Auditor is included in the Notice of the 63rd Annual General Meeting.

BOARD'S REPORT (Contd..)

Further, the Secretarial Audit Report for the financial year 2024-2025 under Section 204 of the Act read with Rules made thereunder and Regulation 24A of the Listing Regulation, is set out in Annexure-B to this Report

33. 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.

34. Annual Return

In accordance with Section 92 read with Section 134(3)(a) of the Act and the Companies (Management and Administration) Rules, 2014 the Annual Return of the Company as of 31/03/2025 in form MGT-7 is available on the website of the Company at

https://www.gsfclimited.com/Content/writereaddata/Portal/Document/159_1_1_Form_MGT-7_GSFC_24-25.pdf

35. Change in the nature of business

The Company did not undergo any change in the nature of its business during the financial year 2024-25.

36. Human Resources

Your Directors are happy to acknowledge that employees of the Company have been key drivers in implementing ideas, policies, cultural and behavioral aspects of the organization and ultimately with their outstanding performance have helped the Company to realize its objectives. Your Directors place on record their sincere 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.

37. Credit Rating

During the year under review, the Company obtained credit ratings from CARE EDGE Ratings Limited and India Ratings & Research for its long-term bank facilities, short-term bank facilities, and commercial papers. The details with respect to these credit ratings forms part of the Corporate Governance Report.

38. Other Disclosures

➤ 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.

➤ 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.

39. Acknowledgements

Your Directors take this opportunity to express its sincere appreciation for the invaluable support, guidance, and cooperation extended by the Government of Gujarat, the Government of India, Bank of Baroda, other banks, financial institutions, regulatory authorities, and various agencies. Their continued assistance has played a vital role in the Company's progress during the financial year under review.

The Directors also wish to convey their deep gratitude to the Company's stakeholders for their trust, confidence, and encouragement they have consistently shown. Your unwavering support remains the cornerstone of the Company's sustained growth and future outlook.

For and on behalf of the Board

Place: Gandhinagar
Date: 31st August, 2025

Sd/-
Pankaj Joshi, IAS
Chairman
(DIN: 01532892)

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 of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Kamal Dayani*	Chairman	1	1
2	Dr Sudhir Jain	Member	1	1
3	Shri Tapan Ray	Member	1	1
4	Dr. T Natarajan	Member	1	1

*Mr. Sanjeev Kumar, IAS has been appointed as Chairman of the Committee w.e.f. 01/08/2025 vice Mr. Kamal Dayani, IAS (Retd.).

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/Content/writereaddata/Portal/Document/7_1_1_CSR_Policy_2021.pdf

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): ₹ 1097.97 Crore

Financial Year	Net Profit (Amount in Crore)
2021-22	1,261.14
2022-23	1,515.08
2023-24	517.69
Average Net Profit	1,097.97

(b) Two percent of average net profit of the company as per section 135(5): ₹ 21,95,94,000/- (2% of ₹ 1,097.97 Crore)

(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: Nil

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: Nil

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set off for the financial year, if any (in ₹)
1	0	0	0
	Total	0	0

(e) Total CSR obligation for the financial year (7a+7b-7c): ₹ 21,96 crores.

ANNEXURE “A” TO BOARD’S REPORT (Contd..)

6. (a) Amount spent on CSR Projects (both ongoing projects and other than ongoing projects):

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		Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	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	85,28,122	-	85,28,122	No	GES	CSR00004136
2	Infrastructure Development - ITI Dashrath					65,82,398	-	65,82,398	No	SVADES	CSR00002452
3	Infrastructure Development Shree Fatehsinhrao Arya Anath Asharm					99,28,241	-	99,28,241	No	Shree Fatehsinhrao Arya Anath Asharm	CSR00085550
4	Surgical Equipment – Govt Spine Institute	Health			Ahmedabad	60,00,000	-	60,00,000	No	Rogi Kalyan Samiti	CSR00062547
5	Special New Born Care Unit – CHC				Vadodara	1,05,00,000	73,50,000	31,50,000	No	United Way of Baroda	CSR00002186
6	Smart Anganwadi	Nutrition		Gujarat	Vadodara Bharuch Narmada	3,30,00,000	-	3,30,00,000		SVADES	CSR00002452
7	Civil Work Smart Anganwadi				Vadodara Jamnagar	65,50,932	-	65,50,932			

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 inschedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in ₹)	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	2,75,97,131	Yes		
2	GSFC University	Education	Yes	Gujarat	Vadodara	4,00,00,000	No	GES	CSR00004136
3	Drinking watert nearby villages	Safe Drinking water	Yes	Gujarat	Vadodara	25,16,147	Yes		
4	Support to local community	Rural Development Projects	Yes	Gujarat	Vadodara, Jamnagar	7,56,61,156	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): ₹ 14,57,74,434/-

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

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
14,57,74,434	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
	7,38,19,593	29.04.2025	Not applicable	Not applicable	Not applicable

(f) Excess amount for set off, if any

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	21,95,96,000
(ii)	Total amount spent for the Financial Year	14,57,74,434
(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:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	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 ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1	2023-24	5,78,41,259	4,20,62,570	Not applicable	Not applicable	Not applicable	1,57,78,689

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 (₹)	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): The Company has committed funds to multi-year CSR projects, and the current year's unspent amount is earmarked for future disbursement in accordance with the project's approved implementation plan.

Place: Fertilizernagar
Date: 26th August, 2025

Sd/-
(Managing Director)
(Chairman CSR Committee)
DIN: 03600655

ANNEXURE “B” TO BOARD’S REPORT (Contd..)

FORM NO. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2025

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

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

I 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 (CIN: L99999GJ1962PLC001121) (“the Company”)**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the Company during the audit period covering the **financial year ended on 31st March, 2025**, has 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:-

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

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder (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 during Audit Period**;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 – **Not applicable during Audit Period**;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;- **Not applicable during 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 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**.
- (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 my 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.

I 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.

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

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

I 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.

Majority decisions are carried out unanimously as recorded in the minutes of the meeting of the Board of Directors.

I 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, etc.

I further report that during the audit period, following major events/actions have happened which are deemed to have major bearing on the Company's affairs in pursuance of above referred Laws, rules, regulations and guidelines, standards etc.

1. On 20th April, 2024, though postal ballot, the members has approved the following agenda by passing an Ordinary Resolution:
 - Appointment of Mr. Kamal Dayani, IAS (DIN:05351774) as Managing Director of the Company
2. The Company during financial year 2024-25, has made investment in equity shares of Vadodara Jal Sanchay Private Limited ("VJSPL") for an amount of ₹ 14.40 crores.
3. On 22th March, 2025, though postal ballot, the members has approved the following agenda by an Ordinary Resolution:
 - Appointment of Mr. Pankaj Joshi, IAS (DIN:01532892) as Director & Chairman of the Company
4. The Company during financial year 2024-25, has made investment in equity shares of Gujarat Industries Power Company Limited ("GIPCL") for an amount of ₹ 44.99 crores.
5. On 24th September, 2024, at Annual General Meeting of the Company, the members have approved the appointment of Mr. S. J. Haider (DIN: 02879522) and Dr. T. Natarajan (DIN: 00396367) as Directors of the Company by passing resolution as an Ordinary Resolution:

DATE : 30th July, 2025

PLACE : VADODARA

SIGNATURE : Sd/-
 NAME OF PCS : **Niraj Trivedi, Partner (for TNT & Associates)**
 Firm Regn. No. : **P2018GJ069800**
 P R. NO. : **3209/2023**
 UDIN : **F003844G000891280**

This report is to be read with my 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.

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I 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. My 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 : 30th July, 2025

PLACE : VADODARA

SIGNATURE : Sd/-
 NAME OF PCS : **Niraj Trivedi, Partner (for TNT & Associates)**
 Firm Regn. No. : **P2018GJ069800**
 P R. NO. : **3209/2023**
 UDIN : **F003844G000891280**

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) Heating of Liquid Ammonia by utilizing heat of vapor ammonia at AST.

Heat of vapor ammonia available at compressor discharge utilized to heat liquid ammonia from -33°C to -12°C, before supplying to consumer header, by installing new heat exchanger. It resulted into reduction in MP steam requirement in existing Ethylene Glycol based Ammonia heater leading to reduction in NG consumption at Steam generation boilers. It resulted into annual NG saving of 2.67 Lacs SM3 (₹ 117.31 Lacs).

2) Nozzle replacement of Steam Booster Ejector (J-1001) to improve its performance at Melamine-III.

Internal nozzle of Steam Booster Ejector (J-1001) replaced to stop venting of LLPS (3.5K). It reduced HP steam (35K) 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 5.5 Lacs SM3 (₹ 241.65 Lacs).

3) Alternate vacuum system arrangement for existing Hogger Ejector at SA-IV Plant.

LP steam based energy efficient ejector was installed in place of existing MP steam based ejector to utilize surplus LP steam from Ammonia-IV Plant. It resulted into reduction in steam generation load on Steam generation boilers leading to reduction in NG consumption at Steam generation boilers. It resulted into annual NG saving of 1.28 Lacs SM3 (₹ 56.24 Lacs).

4) Replacement of steam ejector of flash cooler of PA Plant.

LP steam based energy efficient ejectors were installed in place of existing MP steam based ejectors to utilize surplus LP steam from Ammonia-IV Plant. It resulted into reduction in steam generation load on Steam generation boilers. It resulted into annual NG saving of 6.4 Lacs SM3 (₹ 281.20 Lacs).

5) Replacement of Air Preheater by Economizer in SA-III Plant.

Previously, Converter outlet gases were cooled by Process Air and BFW. New Economizer is designed to cool Converter outlet gases by producing more Steam and cold air is supplied to Furnace. New Economizer is designed for lower pressure drop, resulting to power conservation. Modification resulted into net annual NG saving of 12.8 Lacs SM3

(₹ 562.39 Lacs) and annual power saving of 2.40 Lacs unit (₹ 24.09 Lacs).

6) Energy efficient coating in P-012-1C cooling water pump at Capro-I Plant.

Energy efficient coating was carried out in internal surfaces of P-012-1C cooling water supply pump of Capro-I. After application of coating, pump discharge flow increased by 160 m3/hr and pump efficiency improved by 4.5%, resulting into annual power savings of 1.71 Lacs unit (₹ 17.16 lacs).

7) Stoppage of hot condensate injection in Ammonium Carbamate pumps, Melamine-III Plant.

Hot condensate was used as flushing purpose in Ammonium Carbamate pumps. Due to operating conditions of Ammonium Carbamate pumps, flushing with condensate was not found required. This led to less steam requirement for condensate treatment in downstream section. It resulted into annual NG saving of 10.75 Lacs SM3 (₹ 472.32 Lacs).

8) Use of efficient lighting at Vadodara unit.

About 2200 various types of conventional / LED lighting fittings were replaced by latest LED type of fittings and of lesser ratings for saving of power besides up-gradation of lighting system. It resulted into annual power saving of 9.672 Lacs unit (₹ 97.08 Lacs).

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

Based on operating pressure of Concentrator calendria, a de-superheater installed 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 resulted in to reduction in steam generation load on Steam generation boilers. It resulted in to annual NG saving of 1.92 Lacs SM3 (₹ 84.36 Lacs).

10) Operation of 20 MTPD HX Crystal Plant with Single Chiller Package Unit.

For 20 MTPD HX Crystal Project, 2 Nos. of 150 TR Chiller units were considered. After commissioning of Plant, it was observed that Chiller unit of each train are operated on partial load on account of maintaining higher crystallization temperature as compared to design temperature. Hence, successful trial of running of both trains with single chiller unit in place of dedicated chiller unit for each train was taken, leading to annual power saving of 7.52 Lacs unit (₹ 75.48 Lacs).

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

11) Impeller trimming of Chilled Water Pump (P-040-2A/B) at Capro-I Plant.

Chilled water is supplied by Chilled water pumps P-040-2A/B for chilling purpose in Caprolactam-I plant. On reduced demand of Chilled water, impeller of P-040-2A/B was trimmed for power saving. It resulted into annual power saving of 1.35 Lacs unit (₹ 13.55 Lacs).

12) Use of low head-less flow pump at Nylon-6-I Plant.

After commissioning of CQP Plant, lactam melter section is stopped as molten Lactam is supplied from CQP. Hence, hot water requirement for jacketing purpose reduced. Therefore, low head-less flow pump installed. It resulted into annual power saving of 0.13 Lacs unit (₹ 1.30 Lacs).

13) Installation of single conveyor in place of 4 conveyors in AS4 Bagging plant stitching machine System

At AS-4 Plant, 4 Nos of Bag stitching machines were merged into improved design reliable single belt conveyor resulting into annual power saving of 0.19 Lacs unit (₹ 1.91 Lacs).

14) Installation of Energy efficient helical gearbox in place of worm reduction gear unit in APS plant.

Due to frequent maintenance issue and low efficiency,

old design worm reduction gearbox was replaced by SEW make highly efficient helical gearbox in Recycle screw conveyor CV709A in APS plant A train. It resulted into annual power saving of 0.29 Lacs unit (₹ 2.91 Lacs).

15) Power conservation in Nitrogen circulation blowers (325-B-22), Nylon-6-I Plant.

In Compounding section of Nylon-6-I plant, blower was tripping due to overload. Blower side pulley diameter increased such that tripping problem could be resolved and plant requirement could be met with revised capacity along with power saving. It resulted into annual power saving of 0.21 Lacs unit (₹ 2.11 Lacs).

16) Stoppage of Nitrogen Drying Unit in Drying section of Nylon-6-II Plant.

As N2 is supply is ensured from ASU of either Capro-II or Ammonia-IV plant, Nitrogen Drying Unit could be stopped. It resulted into annual power saving of 8.16 Lacs unit (₹ 81.90 Lacs).

Above mentioned measures resulted into aggregate annual saving at a rate of 41.32 Lacs SM3 NG (₹ 1815.48 Lacs) and 31.63 Lacs units of power (₹ 317.49 Lacs).

Measures taken at Sikka Unit:

1) In order to achieve energy saving, following Major Steps were carried out during the F.Y. 2024-25. By Energy Efficient Lighting in place of Conventional lighting:

1. Replacement of 60 Nos. 150 Watt MH Lamps by 100 Watt LED Flood Lights.
2. Replacement of 110 Nos. 125 Watt HPMV Lamps by 30 Watt LED Lamps.
3. Replacement of 150 Nos. 70 Watt MH / HPMV Fittings by 27 Watt LED lamps.
4. Replacement of 25 Nos. 40 Watt Tube light fittings by 20 Watt LED Tube lights.

5. Replacement of 30 Nos. 250 W HPSV fitting by 100 W LED Flood light fitting.
6. Replacement of 24 Nos. 250 W HPMV Flameproof fitting by 40 W LED Flood light Flame proof fitting.
7. Replacement of 200 Nos. 70W MH / HPMV fitting by 30 W LED Well glass fitting.
8. Replacement of 20 Nos. 60W GLS Lamps by 09 W LED Lamps.

Above mentioned measures resulted into aggregate annual saving at a rate of 1.40 Lacs KWH Power (₹ 13.67 Lacs @ ₹ 9.75 / KWH).

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

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 SM3 and additional anticipated power consumption is about 3.3 Lacs unit. Anticipated net annual saving is ₹ 107.48 Lacs.

2) Reduction in HP Steam Consumption in NH3 Preheater (E1730) by utilizing available Steam Condensate in Mel-III plant.

It is proposed to install a Feed preheater to pre-heat vapor Ammonia utilizing available heat through cooling of process condensate, which otherwise is cooled using cooling water. Proposed modification shall reduce the equivalent quantity of HP steam consumption in NH3 Preheater (E1730) which will result into reduction in steam generation load on Steam generation boilers. Anticipated annual NG saving is 1.15 Lacs SM3 (₹ 50.53 Lacs).

3) Installation of small capacity cooling water pump at Co-Gen-III Cooling Tower.

During stoppage of Co-Gen-III, cooling water is used only for Instrument Air compressors & HVAC of Office building, which is only @35% capacity of Cooling Water Pump. Thus, it is proposed to install small capacity cooling water pump for power saving. Anticipated annual power saving is 3.6 Lac units (₹ 36.13 Lacs).

4) Additional Vapor ammonia export to AS-II Plant.

It is proposed to supply additional vapor ammonia

to AS-II Plant by inter connecting vapor ammonia supply headers in place of diverting it to Refrigeration compressor to produce liquid ammonia. Additional vapor ammonia export will lead reduction in load on Refrigeration compressor and thereby anticipated annual power saving is 4.33 Lacs units (₹ 43.46 Lacs).

5) Installation of small capacity DM water pump at DM water plant at CEP.

Capro-II DM Water plant caters DM water requirement of 300 m³/hr for GSFC complex by running two DM Water pumps P-1708 A&B. Single pump can supply maximum of 280 m³/hr. Hence for remaining capacity, another pump is required to be operated. Therefore, it is proposed to install small capacity DM water pump for power saving and to stop high capacity DM water pump. Anticipated annual power saving is 0.88 Lac units (₹ 8.83 Lacs).

6) Installation of small capacity Drinking water pump in CEP DM Water Plant.

Drinking Water Pump at Capro-II DM Water plant is having capacity of 47 m³/hr and head of 79 m against requirement of ~ 20 m³/hr flow and ~40 m head. Hence, small capacity Drinking Water pump of 25 m³/hr and 45 meter head (with some margin) is proposed for power saving. Anticipated annual power saving is 0.74 Lac units (₹ 7.43 Lacs).

7) Reduction in NG consumption in Direct Fired Air Heater (H1432) by utilizing LP Steam (2K) from Utility plant.

For drying of Melamine powder, Hot Air is generated using NG fired furnace. It is proposed to preheat Air with LP Steam which otherwise is vented. Preheating of Air will reduce NG requirement at furnace. Anticipated annual NG saving is 1.98 Lacs SM3 (₹ 87.00 Lacs).

Measures under consideration at Sikka Unit:

1) By Energy Efficient Lighting

1. Replacement of 70 Nos. 150 Watt MH Lamps by 100 Watt LED Flood Lights.
2. Replacement of 160 Nos. 125 Watt HPMV Lamps by 30 Watt LED Lamps.

3. Replacement of 30 Nos. 250 W HPSV fitting by 100 W LED Flood Light fitting.

4. Replacement of 85 W LED lamps by 50 W LED Flood Light.

ANNEXURE “C” TO BOARD’S REPORT (Contd..)

Measures under consideration at Sikka Unit:

B CONSERVATION OF RAW MATERIAL AND CHEMICALS

Measures taken at Fertilizernagar, Vadodara Unit

1) Recovery of Process Water in PA Plant and its export to utility plant.

Modification was executed for collection and recovery of Process water utilized as gland cooling water for various blowers in PA plant which was otherwise mixed into storm water channel, increasing the effluent loading of the plant. This led to conservation of process water by 0.96 lac MT/year (₹ 40.46 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 (₹ 120 Lacs).

2) HP blow down condensate export from Ammonia-IV to Sulphuric Acid-IV Plant.

It is proposed to divert HP blow down condensate from LP flash drum of A-IV Plant to DMW Tank of SA-IV Plant, in place of diverting it to Cooling tower. Hence, DM water will be conserved at SA-IV Plant against raw water consumption at A-IV Plant. Anticipated annual net saving is ₹ 37.5 Lacs.

3) Provision of Condenser on vent line of Condensate Drum (B-472) to prevent steam venting in Capro-II HAS Plant.

Flash steam was vented from B-472, generated from various Condensate streams collected. Hence, condenser is proposed to recover the flashed steam. This will lead to saving of DMW of 0.85 MT/hr equivalent to annual saving of ₹ 8.5 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: 2024-25

A. POWER AND FUEL CONSUMPTION

PARTICULARS	2024-25	2023-24
1. Electricity		
A. PURCHASE		
UNIT: MWH	303734	264669
AMOUNT ₹ in Lacs	30486	28785
Rate ₹/KWH	10.04	10.88
B. Own Generation		
Unit: MWH	90399	129287
KWH Per Ltr. of Fuel/Gas	7.70	7.43
Cost ₹/KWH	5.77	5.94
2. NATURAL GAS		
Quantity in '000 SM ³	158677	175789
Amount ₹ in Lacs	69718	78412
Average Rate 1000/SM ³	43937	44606

C. TECHNOLOGY ABSORPTION

EFFORTS MADE IN TECHNOLOGY ABSORPTION

As per enclosed Form - B

D. FOREIGN EXCHANGE USED AND EARNED: 2024-25

Foreign Exchange Outgo :

	₹ Lakhs
(i) C.I.F. VALUE OF IMPORTS	191744.14
(a) Raw Materials	2429.94
(b) Stores & Spares	
(c) Capital Goods and High Sea Purchases	612.93
(d) Stock In Trade	88499.91
TOTAL (i)	283286.92
(ii) EXPENDITURE IN FOREIGN CURRENCY	
(a) Interest	257.13
(b) Technical Asstt./Know How	1159.13
(c) Others	88.39
TOTAL (ii)	1504.65
TOTAL (i) + (ii)	284791.57

Foreign Exchange Earned :

	₹ Lakhs
FOB VALUE OF EXPORT OF	
Caprolactam	176.60
Hydroxyl Amine Sulphate Crystal	982.60
Melamine	9629.18
Methyl Ethyl Ketoxime	2617.48
Nylon	26.14
TOTAL	13431.99

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

(B) CONSUMPTION PER UNIT OF PRODUCTION

Sr. No.	Product	Power		Steam		Natural Gas	
		2024-25 KWH	2023-24 KWH	2024-25 MT	2023-24 MT	2024-25 SM ³	2023-24 SM ³
1	Ammonia	368	367	-1.247	-1.266	890	883
2	Sulphuric Acid	30	31	-0.801	-0.789	0.000	0.252
3	Phosphoric Acid	277	301	1.672	1.362	4.438	0.795
4	Urea	183	178	1.447	1.448	0.000	0.000
5	ASP	48	45	0.050	0.055	6.447	8.100
6	Melamine (Expn)	857	819	5.684	5.399	187	187
7	Caprolactam (Exp.)	173	114	0.606	0.383	0.000	0.000
8	Nylon - 6	663	688	1.749	1.668	-	-
9	DAP (SU)	44	39	0.011	0.014	2.933	4.694
10	NPK (10:26:26) (SU)	37	37	0.027	0.019	9.584	9.084
11	NPK (12:32:16) (SU)	37	40	0.021	0.024	10.306	9.364
12	NPK (20:20:0:13) (APS) (SU)	41	45	0.025	0.025	11.667	12.049

* -ve indicate Export from Plants.

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

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

FORM-B

Form for disclosure of particulars with respect to Technology Absorption: 2024-25

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. Essential micronutrients are required in small amounts but are required for very critical functions for the growth and development of plants. Zinc is an essential micronutrient vital for plant growth, development, and yield, yet it remains one of the most commonly deficient nutrients in agricultural soils. Zinc Sulphate Monohydrate ($\text{ZnSO}_4 \cdot \text{H}_2\text{O}$) serves as an effective solution to correct these deficiencies, enhancing photosynthesis, root development, disease resistance, and overall crop quality. The R&D team successfully developed an improved and cost-effective method for producing FCO-grade Zinc Sulphate Monohydrate.

Research Inputs provided to plants

1. Established parameters to minimize caking tendency of Ammonium Phosphate Sulphate (APS) fertilizer granules. Various recommendations were implemented at the APS plant-BU to effectively address the caking issue.
2. Process for preparing Methyl Ethyl Ketoxime was optimized using different ratio of Hydroxylamine sulphate solution obtained from two different sources to mitigate the unavailability of raw material from either source.
3. Developed Rollers from cast Nylon and put to use in APS plant product conveyor belt for performance evaluation.
4. A detailed study was done to understand the decomposition temperature of Hydroxyl Amine Sulfate (HX) crystals for safe plant operation. Based on the findings, drying process parameters were optimized to prevent runaway reactions and NOx gas formation.

5. Technical support provided to determine the optimum rock phosphate specifications for phosphoric acid (PA) production. This may help in smooth plant operations and maximize output efficiency.
6. A detailed study was conducted to optimize operational parameters for mitigation of lumping issue in Ammonium Sulphate of AS-IV plant, leading to improved crystal size and reduction in dust formation.
7. To enhance the lustrous shine of APS granules without altering their color and to impart anti-caking properties, a specialized Shining Coating Agent formulation was developed and is currently being commercialized.
8. Completed the Process for standardization of anticaking agent to ensure performance without deviation with improvised specification.

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

Training and hands-on demonstrations for the production of Cast Nylon with comprehensive guidance to potential manufacturers on the selection of raw materials, manufacturing processes, and appropriate machinery for adoption of the process. This activity supports Marketing-IP initiatives for expanding the customer base for Caprolactam and promoting the MSME sector. To showcase the complete casting process, a dedicated small-scale Caprolactam casting pilot plant has been established within the R&D facility. Four MSME units having already set up their own Cast Nylon production facilities.

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 160 locations on critical equipment of various plants was done for condition monitoring. This has enabled assessment of the 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.

ANNEXURE “C” TO BOARD’S REPORT (Contd..)

4. Ferrography of 18 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.

Research Inputs provided to plants

1. Established parameters to minimize caking tendency of Ammonium Phosphate Sulphate (APS) fertilizer granules. Various recommendations were implemented at the APS plant-BU to effectively address the caking issue.
2. Process for preparing Methyl Ethyl Ketoxime was optimized using different ratio of Hydroxylamine sulphate solution obtained from two different sources to mitigate the unavailability of raw material from either source.
3. Developed Rollers from cast Nylon and put to use in APS plant product conveyor belt for performance evaluation.
4. A detailed study was done to understand the decomposition temperature of Hydroxyl Amine Sulfate (HX) crystals for safe plant operation. Based on the findings, drying process parameters were optimized to prevent runaway reactions and NOx gas formation.
5. Technical support provided to determine the optimum rock phosphate specifications for phosphoric acid (PA) production. This may help in smooth plant operations and maximize output efficiency.
6. A detailed study was conducted to optimize operational parameters for mitigation of lumping issue in Ammonium Sulphate of AS-IV plant, leading to improved crystal size and reduction in dust formation.
7. To enhance the lustrous shine of APS granules without altering their color and to impart anti-caking properties, a specialized Shining Coating Agent formulation was developed and is currently being commercialized.
8. Completed the Process for standardization of anticaking agent to ensure performance without deviation with improvised specification.

(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 Fertilizer.
3. To develop process for products used in industrial applications considering the feedback from Marketing.

(4) EXPENDITURE ON RESEARCH & DEVELOPMENT:

	₹ in Lakhs
(a) Capital	26.19
(b) Recurring	1257.95
(c) Total	1284.14
(d) Total R & D Expenditure as a percentage of Gross Sales	0.14%

Technology Absorption, Adoption and Innovation:

Technology Absorption

1. Urea-II Revamping Project: Technology is imported and Project is successfully commissioned in May, 2025.
2. 20 MTPD HX Crystal Project: This project has been executed based on in-house technology & expertise and Project is successfully commissioned in October, 2024.
3. 600 MTPD Sulphuric Acid (SA-V) Project: Technology is indigenous and Project is expected to be commissioned during the second quarter of FY 2025-26.

Renewable Energy Projects

1. 1.0 MW (AC) Floating Solar Power Plant at its Fiber Unit at Kosamba, Surat: commissioned in October, 2024.
2. 15 MW (AC) Ground Mounted Solar Power Plant at Charanka, Gujarat: commissioned in May, 2025.
3. 75 MW Solar Power Project of GIPCL, in Group captive mode with GACL: 25 MW Solar Power Project (Phase - I) is successfully commissioned in April, 2025 and balance 50 MW (Phase - II) in June, 2025 (50% share of GSFC in 75 MW Solar Power Project).

Other Projects

1. Relocation of 07 nos. Wind mills to facilitate operation of Rajkot International Airport: The relocation project of seven Wind Mills from Mahidad site to Rajkot site have been successfully commissioned in October, 2024, to facilitate the operation of Rajkot International Airport.

Technology Adoption

1. Commercial production of 3000 MT of 9:24:24 grade NPK complex fertilizer was taken at Sikka Unit.
2. Commercial production of 40 MT Zinc Sulphate is initiated.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

MACRO-ECONOMIC FRAMEWORK STATEMENT 2024-25

Overview of the Economy

In the World Economic Outlook (WEO) of April 2025, the International Monetary Fund (IMF) projects the global economy to grow at 2.8% in the year 2025 and 3% for the year 2026, reflecting a significant downward revision from the January 2025 WEO update (which forecasted 3.3% for both the years). This downgrade is primarily due to escalating trade tensions, particularly U.S. tariffs at century-high levels, and heightened policy uncertainty. Global headline inflation is expected to decline to 4.3% in 2025 and 3.6% in 2026, slower than previously anticipated due to tariff impacts.

Economic growth in India

As per the provisional estimates published by the Ministry of Statistics and Programme Implementation (MoSPI), India's real and nominal GDP growth rates are reported at 6.5% and 9.8%, respectively, in FY 2024-25. RBI expects the same rate to continue in FY 2025-26.

Despite global economic uncertainties, India maintains steady growth driven by strong domestic demand, easing inflation, robust capital markets, and rising exports. Key indicators include record foreign exchange reserves, a manageable current account deficit, and increasing foreign investment, signaling global confidence in India's resilient and balanced economic expansion across sectors. Performance was primarily driven by strong agricultural and service sector performance on the supply side and a steady increase in consumption and core merchandise and services exports on the demand side. The International Monetary Fund, in its recent Article IV report published in February 2025, has stated that India's prudent macroeconomic policies and reform-driven approach have positioned it as the fastest-growing major economy.

The manufacturing sector faced pressures due to weak global demand and domestic seasonal conditions. Private consumption remained stable, reflecting steady domestic demand. Fiscal discipline and strong external balance supported by a services trade surplus and healthy remittance growth contributed to macroeconomic stability. Together, these factors provided a solid foundation for sustained growth amid external uncertainties. Looking ahead, India's economic prospects for FY 2025-26 are balanced. Headwinds to growth include elevated geopolitical and trade uncertainties and possible commodity price shocks.

From a Gross Value Added (GVA) perspective, the economy registered a growth of 6.4% in FY 2024-25. The agriculture sector recorded a growth rate of 4.4% for FY 2024-25, improving from 2.7% in the previous financial year. This rebound was supported by record Kharif production, favorable monsoons, and strong contributions from high-value sectors like horticulture, livestock, and fisheries.

The industry sector grew by 5.9% in FY 2024-25, with manufacturing showing a 4.5% growth. Notably, the 'construction' sector is estimated to have achieved a robust growth of 9.4% in FY 2024-25. The 'service' sector expanded by 7.2% in FY 2024-25, driven by 'Financial, Real Estate & Professional Services' at 7.2% and 'Public Administration, Defence & Other Services' at 8.9%. On the expenditure side, Private Final Consumption Expenditure (PFCE) reported a 7.2% growth rate during FY 2024-25, an increase from 5.6% in the previous fiscal year. Gross Fixed Capital Formation (GFCF), a key indicator of investment, recorded a 7.1% growth rate for FY 2024-25. Government Final Consumption Expenditure (GFCE) grew by 2.3% in FY 2024-25.

Retail inflation, as measured by Consumer Price Index (CPI), was 4.6% in fiscal year 2024-25, the lowest since 2018-19. It highlights the effectiveness of RBI's clear shift toward a pro-growth monetary policy stance successfully balancing economic expansion with price stability.

India's total exports grew by 6.01% to reach record high of ₹ 69 lakh crore (US\$ 824.9 billion) in FY 2024-25, as per RBI data. This growth was largely driven by a surge in services exports, which hit a historic high of US\$ 388 billion, up 13.6%. This strong and consistent growth highlights India's ability to deliver high-quality services to global clients, particularly in IT, consulting, finance, and digital technologies.

Merchandise exports stood at US\$ 437 billion with a modest 0.08% growth rate in FY 2024-25. Non-petroleum merchandise exports rose to a record US\$ 374 billion registering a 6.0% increase from the previous year with major contribution from sectors such as machinery, chemicals, electronics, and defense equipment, which are gaining traction in global markets.

Total imports during FY 2024-25 is estimated at US\$ 915.19 billion registering a growth of 6.85%. Merchandise imports during FY 2024-25 were US\$ 720.24 billion as compared to US\$ 678.21 billion during FY 2023-24. Merchandise trade deficit during FY 2024-25 was US\$ 282.83 billion as compared to US\$ 241.14 billion during FY 2023-24.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd..)

For the full FY 2024-25 the current account deficit (CAD) narrowed to US\$ 23.3 billion, or 0.6% of GDP, compared to US\$ 26 billion (0.7% of GDP) in FY 2023-24. This improvement was primarily due to higher net invisible receipts, driven by strong services exports and remittances.

India recorded total Foreign Direct Investment (FDI) inflows of US\$ 81.04 billion in FY 2024-25, a 14% year-on-year increase from US\$ 71.3 billion in FY 2023-24, marking the highest level in the past three years.

India's foreign exchange reserves reached US\$ 697.9 billion (as of 20 June 2025), sufficient to cover over 11 months of goods imports, offering a robust buffer against global economic shocks. External debt is moderate at 19.1% of GDP as of March 2025, reflecting a healthy and stable financial position globally.

Outlook

In April 2025, the Reserve Bank of India's Monetary Policy Committee (MPC) reduced the policy repo rate under the liquidity adjustment facility (LAF) by 25 basis points to 6.00%, marking the second consecutive cut to stimulate economic growth amid global trade uncertainties. The outlook for manufacturing is optimistic, with expectations of accelerated growth driven by several key factors. Stable profit margins and improving domestic demand are accelerating this momentum, complemented by a gradual recovery observed in recent quarterly results. Additionally, resilient corporate balance sheets and emerging signs of a private capital expenditure cycle are providing further support, indicating a robust foundation for sustained expansion. The services sector is also projected to maintain its strong performance. This growth is propelled by robust urban consumption and sustained business confidence, underscoring the sector's resilience and capacity to thrive in the current economic environment. Despite the upbeat projections, challenges loom on the horizon. Global trade uncertainties and potential inflationary pressures could disrupt this growth trajectory, necessitating vigilance as the financial year progresses.

Agriculture

The agricultural and allied activities contributes approximately 16% of GDP and is the bedrock of the nation's economy.

The budget for Department of Agriculture and Farmers' Welfare increased to ₹ 21,933.50 crore in 2013-14 and further advanced to ₹ 1,22,528.77 crore in FY 2024-25, reflecting the Government's commitment to agricultural development.

The total Kharif food grain production is estimated at a record 1,680.66 lakh metric tonnes (LMT) in FY 2024-25, higher by approximately 7.9% from FY 2023-24.

Government Schemes

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

- **National Food Security and Nutrition Mission (NFSNM)** aims to increase the production of key crops like rice, wheat, pulses, and coarse cereals through area expansion and improved productivity, while also focusing on restoring soil fertility and enhancing farm-level incomes.
- **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.
- **National Mission on Natural Farming (NMNF)** aims at promoting natural farming practices for providing safe and nutritious food for all. The mission is designed to support farmers to reduce input cost of cultivation and dependency to externally purchased inputs.
- **National Bee Keeping and Honey Mission (NBHM)** is a government initiative aimed at promoting and developing beekeeping and honey production in India. It encompasses various programs and strategies to support beekeepers and boost honey production.
- **Per Drop More Crop (PDMC)** is a component of the Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) aimed at enhancing water use efficiency in agriculture by promoting micro-irrigation techniques like drip and sprinkler irrigation.
- **Soil Health & Fertility (SH&F)** refers to the ability of soil to support plant growth and sustain agricultural productivity. It encompasses both the physical and chemical properties of the soil, as well as its biological activity.
- **The National Mission on Edible 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.
- **Sub-Mission on Agriculture Extension (SMAE)** is a scheme to support State extension programmes for extension reforms a component of Centrally Sponsored Scheme Sub-Mission on Agriculture Extension under Krishonnati Yojana is under implementation in 684 districts of 29 states and 3 Union Territories of the country.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd..)

- **Sub-Mission on Seed and Planting Material (SMSP)** to produce and supply quality seeds to farmers to enhance production and productivity in the country through various components namely Seed Village programme, establishment of seed processing-cum-seed storage godowns at *Gram Panchayat* level, National Seed Reserve, boosting seed production in private sector and strengthening of quality control infrastructure facilities.
- **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.
- **Kisan Credit Card (KCC)** scheme meets the financial requirements of farmers at various stages of farming. The scheme aims at providing adequate and timely credit support from the banking system under a single window with flexible and simplified procedure to the farmers for their cultivation and other needs.
- **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.
- **Digital Agriculture Mission (DAM)** is a government initiative in India aimed at transforming the agricultural sector through digital technologies and data-driven solutions.

Interim Union Budget 2025 on Agriculture Sector

The Agriculture Sector has been termed as the 1st Engine of India's Development in the Budget.

The Union Budget for 2025-26 was presented by the Ministry of Finance on 1st February, 2025. In the FY 2025-26, ₹ 1,37,757 crore have been allocated to the Ministry (2.7% of the union budget).

Highlights

- GOI will launch a 6-year "Mission for Aatmanirbharta in Pulses" with special focus on Tur, Urad and Masoor. Central agencies (NAFED and NCCF) will be ready to procure these 3 pulses, as much as offered, during the next 4 years from farmers.
- PM Dhan Dhanya Krishi Yojana, a new initiative aimed at identifying 100 districts for agricultural advancement, thereby ensuring that targeted resources and technologies are provided to boost productivity in these areas.
- A Makhana (foxnut) Board will be established in Bihar aimed at boosting production, processing, value addition, and marketing of makhana, while supporting farmers through Farmer Producer Organizations (FPOs). The Board has been allocated ₹ 100 crore for the FY 2025-26.
- A comprehensive programme for vegetables and fruits will be launched in partnership with states to promote production, efficient supplies, processing, and remunerative prices for farmers. The mission has been allocated ₹ 500 crore for the FY 2025-26.
- The loan limit under the Modified Interest Subvention Scheme to be enhanced from ₹ 3 lakh to ₹ 5 lakh for loans taken through the Kisan Credit Card.
- Launch of a new scheme for 5 lakh women, Scheduled Castes and Scheduled Tribes first-time entrepreneurs. This will provide term loans up to ₹ 2 crore during the next 5 years.
- The Union Cabinet, approved the proposal for setting up of a new brownfield Ammonia-Urea Complex at Namrup in Assam, with an estimated total project cost of ₹ 10,601.40 crore. The project will have a capacity of producing 12.7 Lakh Metric Tonnes (LMT) of Urea annually and the new complex will be located in the existing premises of Brahmaputra Valley Fertilizer Corporation Limited.
- Allocating ₹ 20,000 crore to implement private sector driven Research, Development and Innovation initiative.
- A 5-year mission announced to facilitate significant improvements in productivity and sustainability of cotton farming and promote extra-long staple cotton varieties.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd..)

- The Union Cabinet approved the Revised National Program for Dairy Development (NPDD) with an additional budget of ₹ 1,000 crore.

Minimum support price (MSP)

The Government of India fixed 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.

- MSP for Paddy (common) has increased to ₹ 2,300 per quintal in the FY 2024-25 from ₹ 2,183 per quintal in the FY 2023-24.
- MSP for Wheat has increased to ₹ 2,425 per quintal in the FY 2024-25 from ₹ 2,275 per quintal in the FY 2023-24.
- MSP for Cotton (Medium Staple) has increased to ₹ 7,121 per quintal in the FY 2024-25 from ₹ 6,620 per quintal in the FY 2023-24.
- MSP for Groundnut (in shell) has increased to ₹ 6,783 per quintal in the FY 2024-25 from ₹ 6,377 per quintal in the FY 2023-24.
- MSP for Soyabean (Yellow) has increased to ₹ 4,892 per quintal in the FY 2024-25 from ₹ 4,600 per quintal in the FY 2023-24.

Food grain Production

Total food grain production for the agricultural, during the FY 2024-25 touched a new high of 3,539.59 lakh metric tonnes (LMT), registering approximately 6.5% increase from the FY 2023-24, according to the third advance estimates. This was largely driven by record harvests of rice, wheat, and maize.

Industry

The combined Index of eight Core Industries (ICI) increased by 3.8% (provisional) in March 2025, as compared to the corresponding period in 2024. The ICI measures the combined and individual performance of production of eight core industries viz. Coal, Crude Oil, Natural Gas, Refinery Products, Fertilizers, Steel, Cement and Electricity. The Eight Core Industries comprise 40.27% of the weight of items included in the Index of Industrial Production.

This growth in ICI was supported by increased production in six key sectors: Cement, Fertilizers, Steel, Electricity, Coal, and Refinery Products. However, output declined in the Crude Oil and Natural Gas sectors during the same period.

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

- Coal** - Coal production (weightage: 10.33%) increased by 1.6% in March, 2025 as compared to March, 2024. For the full financial year 2024-25 (April to March), coal production increased by 5.1% compared to the same period in the previous year.
- Crude Oil** - Crude Oil production (weightage: 8.98%) declined by 1.9% in March, 2025 as compared to March, 2024. The cumulative index for the fiscal year showed a 2.2% decline.
- Natural Gas** - Natural Gas production (weightage: 6.88%) declined by 12.7% in March, 2025 as compared to March, 2024. Its cumulative index declined by 1.2% during the FY 2024-25 as compared to the previous year.
- Petroleum Refinery Products** - Petroleum Refinery production (weightage: 28.04%) increased by 0.2% in March, 2025 as compared to March, 2024. Its cumulative index increased by 2.8% during the FY 2024-25 as compared to the previous year.
- Fertilizers** - Fertilizer production (weightage: 2.63%) increased by 8.8% in March, 2025 as compared to March, 2024. Its cumulative index increased by 2.9% during the FY 2024-25 as compared to the previous year.
- Steel** - Steel production (weightage: 17.92%) increased by 7.1% in March, 2025 as compared to March, 2024. Its cumulative index increased by 6.7% during the FY 2024-25 as compared to the previous year.
- Cement** - Cement production (weightage: 5.37%) increased by 11.6% in March, 2025 as compared to March, 2024. Its cumulative index increased by 6.3% during the FY 2024-25 as compared to the previous year.
- Electricity** - Electricity generation (weightage: 19.85%) increased by 6.2% in March, 2025 as compared to March, 2024. Its cumulative index increased by 5.1% during the FY 2024-25 as compared to the previous year.

Fertilizer Market Scenario

Monsoon & Agriculture Situation

Performance of south west monsoon remained normal with an overall surplus of 8% over Long Period Average (LPA). In terms of distribution, out of 36 meteorological subdivisions, 89% of the area in the country received normal to excess rains. Rainfall over core rain-fed regions in the country received rains of 122% of LPA. However, states such as Punjab (-28%) and Bihar (-19%) received deficit rains.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd..)

Gujarat, Rajasthan, Maharashtra, Uttar Pradesh and Andhra Pradesh experienced extended monsoon in latter half of the season, leading to flood-like situation in several areas and impacted standing kharif Crops. Overall, south west monsoon helped to charge soil moisture and reservoir levels, promising for a bumper Rabi season.

Favorable MSP declared by GoI for kharif and rabi crops to the tune of 6-10%, motivated farmers for higher plantation during the year. Overall, sowing of kharif & rabi crops registered 1,770 Lakh Hectare in acreage, a jump of 2% over normal sown area. Individually, crops such as sugarcane, oil seeds, coarse cereals, wheat and paddy registered significant growth in the sowing area across the country. In the state of Gujarat acreage of soybean, cumin, tobacco, potato, groundnut and wheat registered substantial jump during the year. Acreage of cotton decline drastically, both at National level and at Gujarat. As per the third advance estimates for FY 2024-25, country is likely to witness record food grain production of 353.96 million MT.

With prediction of normal monsoon, year had started with high hopes of buoyant demand for agri-inputs. On account of consistent high prices of imported fertilizers like DAP and raw materials like phosphoric acid, production and imports both were impacted in the latter half of financial year and as a result opening inventory as well as pipeline stocks of DAP had dried up. Geo-political tension across the global and restricted exports of fertilizers followed by China increased the plight for Indian fertilizer industry.

During the year, the industry faced challenges in supplying DAP in sufficient quantum on account of price cap and fixed NBS subsidy, which made DAP non-remunerative for both producers and importers. Under the adverse situation, fertilizer companies balanced their product mix by supplying NPK fertilizers in higher quantum to offset shortfall in DAP supplies.

Addressing concern of Industry, DoF provided ad-hoc subsidy on DAP under a special package and price compensation on imports. However, import price of DAP continued its upward trajectory consistently reaching highs of USD 640 PMT during its peak demand in Rabi, wiping out any reasonable margins and industry was back to square one. During the year, NPK fertilizers was heavily promoted as an alternative to DAP, which was well accepted by all stake holders. Import prices of phosphoric acid remained high throughout the year, squeezing wafer-thin margins of domestic P&K producers. Prices of ammonia remained range bound, whereas Sulphur experienced a spurt in its price during the final months of financial year. On account of rising costs, fertilizer industry was constrained to increase prices of NPK fertilizer to support viability during the fag end of the financial year.

Throughout the period of peak time demand, DoF was utmost vigilant to ensure equitable distribution of fertilizers across the country to avoid any shortage. Overall, even under challenging situation, country could sail smoothly in terms of ensuring adequate availability of fertilizers to the farmers at reasonable prices, to support agriculture.

Performance of Fertilizer Industry

During the year, fertilizer production in the country grew by 3% supported by NPK and SSP fertilizer segment. Production of Urea fertilizer in the country decreased by around 2% to 306 LMT during the year. On account of non-remunerative cost, domestic DAP output dropped significantly to 38 LMT with reduction of 12% on year-over-year basis. Capitalizing on lower DAP inventory, NPK producers ramped up their production by 19% on year-over-year to 113 LMT, while production of SSP also rose by 18% on year-over-year basis.

Imports of fertilizers declined by 9% during the year to 160 LMT. In order to reduce dependence on imported Urea, DoF curtailed its imports by 20% to 56 LMT. Imports of DAP suffered by 18% to 46 LMT on year-over-year basis due viability constraints faced by the industry. Consequently, import of NPK rose to the tune of 23 LMT up by 2%. Import price of MOP reduced during the year which supported higher consumption prompting increased imports by 23%.

Overall, business environment for the fertilizer industry remained quite conducive. Sales of fertilizers to farmers rose by 9% to record 694 LMT. Individually, sales of Urea jumped by 8%, NPKs by 29%, MOP by 34% & SSP by 8%, whereas consumption of DAP dropped by 14%.

Business Performance of GSFC - Fertilizers

In-spite of several challenges faced by the Company in terms of availability of raw material and high import prices of fertilizers, the Company registered fertilizer sales of 19.88 LMT, exhibiting a growth of 4% on year-over-year basis. Improved supplies of fertilizers mainly through Baroda and Sikka Units contributed for achieving higher volumes. Individually, sales of Ammonium Sulphate (AS) rose by 29% and Ammonium Phosphate Sulphate (APS) by 95% on year-over-year basis. GSFC introduced a new unique fertilizer in its product basket, NPK 09-24-24 (fortified) consisting of seven nutrients.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd..)

Capitalizing on demand of our products, the Company supplied fertilizers to primary and secondary markets also, resulting in increased contribution to total fertilizer sales of the Company, from 49% to 56%.

The team consistently monitored the status of un-cleared PoS stocks across the states and followed on a regular basis to enable receipt of admissible subsidies in time and registered PoS sales to the tune of 20 LMT during the FY 2024-25, higher by 6% over FY 2023-24.

Your Company effectively controlled the physical inventories of fertilizers at plant, port & field warehouses and maintained consistent follow-up with the team as well as the dealers to ensure timely recovery of sales proceeds from the market.

Marketing of Fertilizers of the Company is also undertaken through its wholly owned subsidiary of the Company, GSFC AgroTech Ltd. ("GATL"). GATL 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 State Government.

GATL manages 255 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.

GATL is committed to providing an assured supply of a comprehensive range of agri-inputs of bulk & non-bulk nature to our customers. Besides supplying fertilizers & other non-bulk products manufactured/procured by GSFC, they have collaborated with various leading agri-input companies such as National Seed Corporation, Coromandel International, Indian Potash Limited, Hindalco, GNFC, IFFCO, CFCL, Mahadhan Agri-Tech Ltd etc. to ensure the all-round availability of multi brand products at their retail outlets.

GATL network provides a solid platform to maintain last-mile connectivity with the farmers, facilitate keeping brand visibility in the field, a 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, the company is 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) and 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.

Business Performance of GSFC – Industrial Products

The Company has commenced production of Hydroxylamine Sulphate Crystal from its new plant having rated capacity of 20 MTPD during second half of FY 2024-25. This increased capacity has helped company to gain a larger market share by substituting imports in the last quarter of FY 2024-25 and the Company intends to maintain its position as the key supplier. The Company has also planned capacity addition in Phosphoric Acid & Sulphuric Acid plants at Sikka Unit which are progressing as per schedule. The Company is targeting to set up chemical complex at Dahej location for manufacturing various products to import substitutes for future growth in chemical segment.

The sales of Industrial products have been impacted during FY 2024-25 in terms of value as the international prices decreased by 10% on a year-over-year basis for Melamine, 4% for Caprolactam, and 5% for Nylon 6 chips. However, owing to its concentrated strategy and providing a good product mix, the segment was able to reach its ever highest sales volume for Technical Grade Urea and HX Crystal. The Industrial Products segment's margin remained under pressure during FY 2024-25 due to pressure on international prices of chemicals primarily due to overcapacity in China and global economic slowdown, which had a negative influence on its profitability. US tariffs on Chinese chemicals may further trigger dumping, thus creating pressure on India's chemical sector.

RAW MATERIAL PRICES

The international prices of raw materials increased during the FY 2024-25 as compared to the FY 2023-24.

The average CFR prices of Phosphoric Acid (PA – P_2O_5) which was USD 947 per ton P_2O_5 during FY 2023-24 went up to USD 1,003 (6%) per ton of P_2O_5 during FY 2024-25. As on 31/03/2025, the price of PA was USD 1,055 per ton of P_2O_5 .

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd..)

The average prices of Ammonia increased during the FY 2024-25 as compared to the FY 2023-24. The average CFR prices of Ammonia during the FY 2023-24 was USD 372. It increased to USD 394 (6%) per ton during the FY 2024-25. As on 31st March, 2025, the price of Ammonia was USD 332 per ton.

The average CFR price of Rock Phosphate, which is mainly derived from price of Phosphoric Acid, decreased marginally in the FY 2024-25 as compared to the FY 2023-24. The average CFR price of Rock Phosphate during the FY 2023-24 was USD 150 per ton. It decreased to USD 147.50 (-2%) per ton during the FY 2024-25. As on 31st March, 2025, the price of Rock Phosphate was USD 150 per ton.

The average CFR price of Sulphur increased during the FY 2024-25 as compared to the FY 2023-24. The average CFR price of Sulphur during the FY 2023-24 was USD 110.74 per ton. It went up to USD 142.48 (29%) per ton during the FY 2024-25. As on 31st March, 2025, the price of Sulphur was USD 196.13 per ton.

The price of Benzene increased during the FY 2024-25 as compared to the FY 2023-24. The average CFR price of Benzene during the FY 2023-24 was USD 947.20 per ton, which increased to USD 1001.77 (6%) per ton during the FY 2024-25. As on 31st March, 2025, the price of Benzene was USD 939.51 per ton.

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

Product	2023-24	2024-25	% Increase/ Decrease	Prices as on 31/03/2025
Phos. Acid (C & F), P2O5	947	1,003	6%	1,055
Ammonia (C & F)	372	394	6%	332
Rock Phosphate (C & F)	150	147.50	-2%	150
Sulphur (C & F)	110.74	142.48	29%	196.13
Benzene (C & F)	947.20	1,001.47	6%	939.51

FINANCIAL PERFORMANCE OF THE COMPANY DURING FY 2024-25

Particulars	Units	2024-25	2023-24	Change	Change in %	Reason For Change
Trade Receivables Turnover	Times	10.82	10.88	-0.06	-1	
Inventory Turnover	Times	21.41	16.69	4.72	28	Inventory turnover ratio improved due to higher sales and improved inventory management.
Interest Coverage Ratio	Times	163.00	234.73	-71.73	-31	Interest coverage fell due to minor increase in finance costs.
Current Ratio	Times	4.36	4.47	-0.11	-2	
Debt Equity Ratio	Times	-	-	-	-	
Operating Profit Margin*	%	9.99	9.61	0.38	4	
Net Profit Margin	%	6.08	5.87	0.21	4	
Return on Net Worth (ROE)	%	4.66	4.27	0.39		

*Including Other Income

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

There exists 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.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd..)

TEN YEARS PRODUCT PERFORMANCE RECORD

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

PARTICULARS	Unit	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
PRODUCTION											
FERTILIZERS	MT	1647232	1432315	1389458	1461910	1908828	1665824	1733957	1678958	1507911	1491741
Ammonium Sulphate	MT	526295	395235	500246	503100	487250	445630	374720	372330	337370	334030
Ammonium SulphatePhosphate	MT	628940	325980	300380	251330	268730	267140	291940	282360	313860	328430
Di-Ammonium Phosphate	MT	137290	261130	193810	307880	565790	484720	459090	503830	411850	370200
N P K	MT	19430	69600	20550	28870	208730	128120	193150	154220	38340	47650
UREA	MT	333960	377410	371070	362826	370700	332705	405360	361181	406571	411431
CAPROLACTAM	MT	82704	84009	87198	86639	81927	83134	91479	86662	86191	86297
NYLON-6	MT	26015	27291	26794	25623	24455	24296	23887	20215	17421	9885
MELAMINE	MT	42452	43500	47756	52847	38732	29215	14161	15188	14886	15697
ARGON	'000NM3	3272	3369	3564	3294	3325	3116	3574	3319	3549	3581
SALES											
FERTILIZERS*	MT	1661026	1440694	1377337	1504194	1945122	1682171	1598428	1604222	1412044	1434684
Ammonium Sulphate	MT	521346	402892	475917	523891	497430	441335	385952	360555	308214	329778
Ammonium Sulphate Phosphate	MT	637583	327284	279885	264959	299160	249482	293115	262134	299025	290107
Di-Ammonium Phosphate	MT	150548	257859	230822	297765	563510	524410	399309	500999	417820	368874
N P K	MT	19837	69126	20579	46431	214999	141409	184270	130194	35024	46558
UREA	MT	331712	383534	370134	371148	361049	325536	366763	313448	360879	355402
CAPROLACTAM*	MT	56515	59684	57402	60359	58170	58764	65596	63217	63101	66483
NYLON-6	MT	28828	32545	29187	27644	28150	23752	25311	22569	13697	9999
MELAMINE	MT	43103	47448	48487	48452	40173	26234	13953	15298	15341	15096
ARGON	'000NM3	3268	3389	3545	3292	3349	3099	3563	3317	3546	3599

*excluding captive consumption

RISK MANAGEMENT

Changes in Government policy, currency risk, fluctuation in input prices, increase in price of Natural Gas, insufficient availability of natural gas and raw material, in the international market, recoveries related to subsidies with retrospective effect, 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, competitive price 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 an online risk management portal under which each identified risks are categorized, monitored and mitigation procedures are devised and implemented so as to minimize any adverse impact of risks.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd..)

RESEARCH AND PROMOTIONAL ACTIVITIES

The Company has a well-established, DSIR approved Research Center set up 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.

To support Marketing-IP initiatives aimed at expanding the customer base for Caprolactam and promoting the MSME sector, R&D team is actively engaged in providing training and hands-on demonstrations for the production of Cast Nylon. Cast Nylon serves as a viable alternative to metal parts in various household and industrial applications. As part of this initiative, the R&D team offers comprehensive guidance to potential manufacturers on the selection of suitable raw materials, manufacturing processes, and appropriate machinery to facilitate the successful adoption of Cast Nylon production. To showcase the complete casting process, a dedicated small-scale Caprolactam casting pilot plant has been established within the R&D facility. The team has also developed Rollers from cast Nylon and put to use in APS plant conveyor belt for performance evaluation.

These efforts have yielded significant success, with four MSME units having already set up their own Cast Nylon production facilities, contributing to the increased sales of Caprolactam. In addition, the R&D team continues to provide technical support for large-shaped casting techniques, incorporating the use of an in-house developed activator. These efforts are further strengthening customer engagement and expanding the market reach of Caprolactam.

The Research and Development (R&D) department 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. During the initial startup phase of the AS-IV plant, the R&D team contributed to address a significant issue related to lump formation in the final product. A comprehensive study was conducted to optimize operational parameters, leading to improved crystal size and a reduction in dust formation.

To ensure the safe operation of the new Hydroxyl Amine Sulfate Crystal plant, an in-depth study was conducted on the factors contributing to decomposition temperature of HX crystal. Based on the findings, operating parameters were optimized to minimize the risk of runaway reaction during drying operation, which could otherwise lead to the generation of NOX gases and pose unsafe operating conditions.

The R&D 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 160 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.

SAFETY, HEALTH AND ENVIRONMENT

Safety Management system is fully operative to maintain overall safety of resources deployed within the organization i.e. plant set-up, raw materials, intermediates, final products and associated manpower deployed within the organization.

Plant processes are equipped with mandatory and discipline-wise safety devices to ensure continuous safety in plant operations.

Fully functional safety systems for storage, handling and processing of raw materials, intermediates and products are inherent part of plant set up/organization.

Safety department imparts all relevant safety related training to Company employees and contractual workers on daily basis, especially to those associated with the hazardous processes.

The Company has a safety management system in place and its functionary integrals viz; safety audit, Hazards Operability, Pre Start up Safety Review, Mock drills, Departmental Environment, Health Safety Committee Meetings, Safety inspections, Safety audits, OnSite Emergency Action Plan are fully operative at organization level.

Weekly, Area Specific safety inspection initiative is undertaken to enhance safety culture across the organization. Monthly safety reviews by top management on critical safety issues are also conducted.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd..)

Various Safety competitions like Job safety analysis-2025, Self-awareness safety competition-2025, Safety quiz-2025 were rolled out to enhance safety awareness among employees and contract workers across the organization.

New age safety applications for online safety related task execution are under development. The Company has identified and implemented various safety modules, a few of them are:

- Safety Training Module
- Accident Register
- Man-hour working calculation
- Safety Inventory data
- Incident Reporting cum Investigation Report

Further, an online Safety work permit system is under trial stage. This encompasses permits to start work, working at heights, confined space entry and electrical isolation permits.

Fully functional factory medical unit and township medical centre with qualified staff are in place to provide medical services to employees and contractual workers on round the clock basis. Routine health check-ups and specialized periodical medical camps are organized for medical benefit of employees.

Environment Control department is functioning for take care of gaseous, liquid and solid wastes generated during plant processes. Gaseous pollutants are treated within plant processes, liquid effluents are treated within complex by Effluent Treatment Plants and brings it to normative level for safe release. Solid wastes are disposed of in accordance to GPCB/CPCB norms.

GSFC's focus on safety is reflected in the following:

- Safety management system's audit was carried out in April-2024 as per IS-14489-2018 guideline by third party external safety auditing firm.
- GSFC has secured Outstanding Performance and was awarded with Gold 4 Star trophy for Workplace OHSE Excellence for our Baroda Unit vide WSO international awards competition-2024 organized by WSO India on 27th September 2024, at Chennai.
- Environmental audit of GSFC BU complex was carried out as per GPCB guideline during the year-2024.

HUMAN RESOURCES

Shareholders are requested to refer the Board's Report which forms part of the Annual Report.

For and on behalf of the Board

Place : Vadodara
Date : 31st August, 2025

Sd/-
Pankaj Joshi, IAS
Chairman
(DIN: 01532892)

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- 2024-25, (6) Fertilizer Market Bulletins and (7) Ministry of Agriculture & Farmers' Welfare, Gol. (7) Union Budget 2025-26 (8) India Meteorological Department (IMD), Government of India.

1. OUR CORPORATE GOVERNANCE 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 endeavour to enhance stakeholders' value and respect minority rights in all our business decisions with a long-term perspective.

Our Corporate Governance framework has its roots in the following canons:

1. Satisfying the spirit of law and not just the letter of law.
2. Maintaining the level of a high degree of disclosures.
3. Making clear distinctions between personal conveniences and corporate resources.
4. Communicating effectively, in a truthful manner, about how the Company is run internally.
5. Complying with the law of the land.
6. Having a simple and transparent corporate structure, driven solely by the business needs.
7. Firm belief that the Management is the trustee of the shareholders' capital and not the owner.

The Board is at the core of our Corporate Governance practices 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 entirely non-executive directors except the Managing Director, who is an Executive Director.

There is a proactive flow of information to the Members of the Board and the Board Committees, enabling them to discharge of their 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 a timely and accurate disclosure of all material, operational and financial information to the stakeholders is a practice followed by the Company. The Company conforms 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 the requirements of law and have been functioning effectively.

The Company has a Code of Conduct ("Code") for the Board 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

A. The composition of the Board during the year ended 31/03/2025 and the changes to the date of this Report are tabulated below:

Sr. No.	Name of Director	Category
1.	Mr. Raj Kumar, IAS (Retd.) Chairman (till 31/01/2025) (DIN: 00294527)	Non-Executive Non-Independent Non-Rotational Director

CORPORATE GOVERNANCE REPORT (Contd.)

2.	Mr. Pankaj H. Joshi, IAS Chairman (w.e.f. 06/02/2025) (DIN:01532892)	Non-Executive Non-Independent Non-Rotational Director
3.	Mr. Kamal Dayani, IAS Managing Director, (DIN:05351774)	Executive Non-Independent, Non-Rotational Director
4.	Mr. Tapan Ray, IAS (Retd.) (DIN:00728682)	Non-Executive Independent, Non-Rotational Director
5.	Dr. Ravindra H. Dholakia (DIN:00069396)	Non-Executive Independent, Non-Rotational Director
6.	Mrs. Gauri Kumar, IAS (Retd.) (DIN:01585999)	Non-Executive Independent, Non-Rotational Director
7.	Dr. Sudhir Kumar Jain (DIN:03646016)	Non-Executive Independent, Non-Rotational Director
8.	Mrs. Mamta Verma, IAS (till 01/08/2024) (DIN:01854315)	Non-Executive, Non-Independent, Rotational Director
9.	Mr. Jagdish Prasad Gupta, IAS (till 05/08/2024) (DIN:01952821)	Non-Executive, Non-Independent, Rotational Director
10.	Mr. Syed Jawaid Haider, IAS (w.e.f. 13/08/2024) (DIN: 02879522)	Non-Executive, Non-Independent, Rotational Director
11.	Dr. Thiruvankadam Natarajan, IAS (w.e.f. 10/09/2024) (DIN:00396367)	Non-Executive, Non-Independent, Rotational Director

Changes in composition of the Board between 01/04/2025 and the date of Report:

Sr. No.	Name of Director	Change	Effective date	Remark
1.	Mr. Kamal Dayani, IAS (Retd.)	Cessation	31/07/2025	Consequent upon attaining his superannuation, Mr. Kamal Dayani, IAS (Retd.) tendered his resignation from the office of the Managing Director of the Company.
2.	Mr. Sanjeev Kumar, IAS	Appointment	01/08/2025	Mr. Sanjeev Kumar, IAS, was appointed as the Managing Director of the Company vide Letter No. A1S/45.2025/4428/G dated 31/07/2025 issued by the General Administrative Department, Government of Gujarat.
3.	Mr. Tapan Ray, IAS (Retd.)	Cessation	01/09/2025	Upon completion of the term of 5 consecutive years from appointment, Mr. Tapan Ray, IAS (Retd.) ceases to be an Independent Director on the Board of the Company.
4.	Dr. Ravindra H. Dholakia	Cessation	01/09/2025	Upon completion of the term of 5 consecutive years from appointment, Dr. Ravindra H. Dholakia ceases to be an Independent Director on the Board of the Company.

CORPORATE GOVERNANCE REPORT (Contd.)

5.	Mrs. Gauri Kumar, IAS (Retd.)	Re-appointment	02/09/2025	Mrs. Gauri Kumar, IAS (Retd.) has been reappointed as an Independent Director on the Board of the Company for second term of 5 consecutive years.
6.	Dr. Sudhir Kumar Jain	Re-appointment	02/09/2025	Dr. Sudhir Kumar Jain has been reappointed as an Independent Director on the Board of the Company for second term of 5 consecutive years.
7.	Dr. Rama Shanker Dubey	Appointment	02/09/2025	Dr. Rama Shanker Dubey has been appointed as an Independent Director on the Board of the Company for a term of 5 consecutive years.
8.	Prof. Sundaravalli Narayanaswami	Appointment	02/09/2025	Prof. Sundaravalli Narayanaswami has been appointed as an Independent Director on the Board of the Company for a term of 5 consecutive years.

B. Attendance of the directors at the Board meetings held during the Financial Year (F.Y.) 2024-25:

Board Meeting No.	Dates of Board Meeting	Board strength	No. of Directors present
630 th	21/05/2024	8	8
631 st	05/08/2024	7	6
632 nd	12/11/2024	8	7
633 rd	10/02/2025	8	6
634 th	28/03/2025	8	7

Attendance of individual directors during the F.Y 2024-25:

Sr. No.	Name of Director	Number of Board meetings held				
		630 th Meeting	631 st Meeting	632 nd Meeting	633 rd Meeting	634 th Meeting
		21/05/2024	05/08/2024	12/11/2024	10/02/2025	28/03/2025
1.	Mr. Raj Kumar, IAS, Chairman (till 31/01/2025) ¹				-	-
2.	Mr. Pankaj H. Joshi, IAS, Chairman (w.e.f. 06/02/2025) ²	-	-	-		
3.	Mr. Kamal Dayani, IAS, Managing Director					
4.	Mr. Tapan Ray, IAS (Retd.)					
5.	Dr. Ravindra H. Dholakia					
6.	Mrs. Gauri Kumar, IAS (Retd.)					
7.	Dr. Sudhir Kumar Jain					
8.	Mrs. Mamta Verma, IAS (till 01/08/2024) ³		-	-	-	-

CORPORATE GOVERNANCE REPORT (Contd.)

9.	Mr. Jagdish Prasad Gupta, IAS(till 05/08/2024) ⁴		Leave of Absence	-	-	-
10.	Mr. Syed Jawaid Haider, IAS (w.e.f. 13/08/2024) ⁵	-	-	Leave of Absence	Leave of Absence	Leave of Absence
11.	Dr. Thiruvankadam Natarajan, IAS (w.e.f. 10/09/2024) ⁶	-	-		Leave of Absence	

  Present

¹ Mr. Raj Kumar, IAS had resigned as Director and Chairman of the Company on 31/01/2025.

² Mr. Pankaj H. Joshi, IAS was appointed as Director and Chairman of the Company with effect from 06/02/2025.

³ Mrs. Mamta Verma, IAS had resigned from the Directorship of the Company on 01/08/2024.

⁴ Mr. Jagdish Prasad Gupta, IAS had resigned from the Directorship of the Company on 05/08/2024.

⁵ Mr. Syed Jawaid Haider was appointed as Director of the Company with effect from 13/08/2024.

⁶ Dr. Thiruvankadam Natarajan was appointed as Director of the Company with effect from 10/09/2024.

The details relating to the names and categories of the directors on the Board, their attendance at the Annual General Meeting, their Membership in the Committees of the other companies are given below:

Sr. No.	Name of Director	Category	No. of Equity Shares of the Company held	Attendance at the last Annual General Meeting	No. of other Directorships/ Memberships	No. of Committees in which Chairman / Member (Including GSFC Ltd.)*	
						Chairman	Member
1.	Mr. Raj Kumar, IAS (Retd.) (till 31/01/2025)	Non-Executive Director	0	Yes	7	2	0
2.	Mr. Pankaj H. Joshi, IAS, Chairman (w.e.f. 06/02/2025)	Non-Executive Director	0	NA	7	2	0
3.	Mr. Kamal Dayani, IAS Managing Director	Executive Director	0	Yes	3	0	1
4.	Mr. Tapan Ray, IAS (Retd.)	Independent Director	0	Yes	6	1	2
5.	Dr. Ravindra H. Dholakia	Independent Director	0	Yes	4	4	2
6.	Mrs. Gauri Kumar, IAS (Retd.)	Independent Director	0	Yes	4	2	2
7.	Dr. Sudhir Kumar Jain	Independent Director	0	Yes	3	2	3
8.	Dr. Thiruvankadam Natarajan, IAS	Non-Executive, Non-Independent Director	0	Yes	9	0	5

CORPORATE GOVERNANCE REPORT (Contd.)

9.	Mr. Syed Jawaid Haider, IAS	Non-Executive, Non-Independent Director	0	No	7	0	2
----	-----------------------------	---	---	----	---	---	---

Notes:

- i. None of the directors are inter se related to each other.
- ii. None of the directors have any business relationship with the Company.
- iii. None of the directors have received any loans and advances from the Company during the year.
- iv. The Company has not issued any convertible instruments during the year.

* In accordance with Clause 26 of the Listing Regulations, Membership / Chairmanship of only the Audit Committee and Stakeholders' Relationship Committee of all public limited companies, including GSFC as on 31/03/2025 have been considered.

All the directors including the Independent Directors meet the requirements pertaining to the number of directorships of companies as well as Membership/ Chairpersonship of the Board level Committees.

None of the directors is a Member in more than ten committees or is a Chairperson of more than five committees, across all the companies in which he / she is a Director.

C. Details of Directorships in other listed entities as on 31/03/2025:

Sr. No.	Name of Director	Names of Listed Entity	Category
1.	Mr. Pankaj H. Joshi, IAS	Gujarat Narmada Valley Fertilizers & Chemicals Limited	Non-Executive Director, Chairman
		Gujarat State Petronet Limited	Executive Director, Chairman & Managing Director
		Gujarat Gas Limited	Non-Executive Director, Chairman
2.	Mr. Kamal Dayani, IAS	Gujarat Narmada Valley Fertilizers & Chemicals Limited	Non-Executive, Non-Independent Director
3.	Mr. Tapan Ray, IAS (Retd.)	Gujarat State Petronet Limited	Non-Executive, Independent Director
		CMS Info Systems Limited	
4.	Dr. Ravindra H. Dholakia	Adani Ports and Special Economic Zone Limited	Non-Executive, Independent Director
		Gujarat Industries Power Company Limited	
5.	Dr. Sudhir Kumar Jain	Gujarat State Petronet Limited	Non-Executive, Independent Director
6.	Mrs. Gauri Kumar, IAS (Retd.)	Gujarat Mineral Development Corporation Limited	Non-Executive, Independent Director
		Gujarat Narmada Valley Fertilizers & Chemicals Limited	
		TVS Supply Chain Solutions Limited	
7.	Mr. Syed Jawaid Haider, IAS	Gujarat Narmada Valley Fertilizers & Chemicals Limited	Non-Executive, Non-Independent Director
		Gujarat Gas Limited	

CORPORATE GOVERNANCE REPORT (Contd.)

8.	Dr. Thiruvankadam Natarajan, IAS	Gujarat Narmada Valley Fertilizers & Chemicals Limited	Executive, Managing Director
		Gujarat Alkalies & Chemicals Limited	Non-Executive, Non-Independent Director
		Gujarat Gas Limited	

- D.** The Company has obtained a Certificate dated 30/07/2025 from Mr. 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 Securities and Exchange Board of India (SEBI)/ Ministry of Corporate Affairs (MCA) or any statutory authority in terms of Schedule V(E) of the Listing Regulations.
- E.** 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 & sector where it operates, for effective functioning and as available with the Board. The directors mapped against respective identified core skills / expertise / competencies are given below:

Sr. No.	Name of Director	Financial Management	Governance Practices	Corporate Practices	Business Strategy	General Management
1.	Mr. Pankaj H. Joshi, IAS ¹	✓	✓	✓	✓	✓
2.	Mr. Kamal Dayani, IAS	✓	✓	✓	✓	✓
3.	Mr. Tapan Ray, IAS (Retd.)	✓	✓	✓	✓	✓
4.	Dr. Ravindra H. Dholakia	✓	✓	✓	✓	✓
5.	Dr. Sudhir Kumar Jain	✓	✓	✓	✓	✓
6.	Mrs. Gauri Kumar, IAS (Retd.)	✓	✓	✓	✓	✓
7.	Mr. Syed Jawaid Haider, IAS ²	✓	✓	✓	✓	✓
8.	Dr. Thiruvankadam Natarajan, IAS ³	✓	✓	✓	✓	✓

¹ Mr. Pankaj H. Joshi, IAS has been appointed as Director and Chairman with effect from 06/02/2025.

² Mr. Syed Jawaid Haider, IAS has been appointed as Director with effect from 13/08/2024.

³ Dr. Thiruvankadam Natarajan, IAS has been appointed as Director with effect from 10/09/2024.

- F.** In the opinion of the Board, the Independent Directors fulfil the conditions specified in the Listing Regulations and are independent of the Management.
- G.** None of the Independent Directors have resigned before the expiry of his/ her tenure.
- H. Disclosures regarding appointment / cessation of directors:**

Sr No.	Name of Director	Change	Effective Date	Remarks
1.	Mrs. Mamta Verma, IAS	Cessation	01/08/2024	Consequent upon her transfer from the Energy & Petrochemicals Department, Government of Gujarat, Mrs. Mamta Verma, IAS resigned from the Directorship of the Company.
2.	Mr. Jagdish Prasad Gupta, IAS	Cessation	05/08/2024	Consequent upon his transfer from the Finance Department, Government of Gujarat, Mr. Jagdish Prasad Gupta, IAS resigned from the Directorship of the Company.

CORPORATE GOVERNANCE REPORT (Contd.)

3.	Mr. Syed Jawaaid Haider, IAS	Appointment	13/08/2024	Mr. Syed Jawaaid Haider, IAS, was appointed as a Director of the Company vide Letter No. MIS/15-024/1345/2024 dated 12/08/2024 issued by the Energy & Petrochemicals Department, Government of Gujarat.
4.	Dr. Thiruvankadam Natarajan, IAS	Appointment	10/09/2024	Dr. Thiruvankadam Natarajan, IAS, Principal Secretary (Finance) was appointed as a Director of the Company vide Letter No. FD/0222/09/2024 dated 10/09/2024 issued by the Finance Department, Government of Gujarat.
5.	Mr. Raj Kumar, IAS (Retd.)	Cessation	31/01/2025	Consequent upon attaining his superannuation, Mr. Raj Kumar, IAS (Retd.) tendered his resignation from the office of Director and Chairman of the Company.
6.	Mr. Pankaj H. Joshi, IAS	Appointment	06/02/2025	Mr. Pankaj H. Joshi, IAS was appointed as a Director and Chairman of the Company vide Letter No. MIS/11-2016/1765/E dated 06/02/2025 issued by the Energy & Petrochemicals Department, Government of Gujarat.
7.	Mr. Kamal Dayani, IAS (Retd.)	Cessation	31/07/2025	Consequent upon attaining his superannuation, Mr. Kamal Dayani, IAS (Retd.) tendered his resignation from the office of the Managing Director of the Company.
8.	Mr. Sanjeev Kumar, IAS	Appointment	01/08/2025	Mr. Sanjeev Kumar, IAS, was appointed as the Managing Director of the Company vide Letter No. A1S/45.2025/4428/G dated 31/07/2025 issued by the General Administrative Department, Government of Gujarat.
9.	Mrs. Gauri Kumar, IAS (Retd.)	Re-appointment	02/09/2025	Mrs. Gauri Kumar, IAS has been reappointed as an Independent Director on the Board of the Company for the second term of 5 consecutive years.
10.	Dr. Sudhir Kumar Jain	Re-appointment	02/09/2025	Dr. Sudhir Kumar Jain has been reappointed as an Independent Director on the Board of the Company for the second term of 5 consecutive years.
11.	Mr. Tapan Ray, IAS (Retd.)	Cessation	01/09/2025	Upon completion of the term of 5 consecutive years from appointment, Mr. Tapan Ray, IAS (Retd.) ceases to be an Independent Director on the Board of the Company.

CORPORATE GOVERNANCE REPORT (Contd.)

12.	Dr. Ravindra H. Dholakia	Cessation	01/09/2025	Upon completion of the term of 5 consecutive years from appointment, Dr. Ravindra H. Dholakia ceases to be an Independent Director on the Board of the Company.
13.	Dr. Rama Shanker Dubey	Appointment	02/09/2025	Dr. Rama Shanker Dubey has been appointed as an Independent Director on the Board of the Company for a term of 5 consecutive years.
14.	Prof. Sundaravalli Narayanaswami	Appointment	02/09/2025	Prof. Sundaravalli Narayanaswami has been appointed as an Independent Director on the Board of the Company for a term of 5 consecutive years.

I. Independent Directors – declarations

Independent Directors on the Board of the Company viz. Mr. Tapan Ray, Mrs. Gauri Kumar, Dr. Ravindra H. Dholakia and Dr. Sudhir Kumar Jain, have submitted their respective 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.

J. Other declarations

A brief resume of the directors proposed for appointment at the 63rd Annual General Meeting is annexed to the Notice convening the 63rd Annual General Meeting, which forms an integral part of this Report.

K. Code of Conduct

The Company has a Code for all its Board members and Senior Management Personnel to avoid any conflict of interest. The confirmation of adherence to the Code for the F.Y. 2024-25 is received from all the directors and Senior Management Personnel of the Company, to whom the Code is applicable.

The Board have noted the adherence to the Code. The Code is available on the Company's website at

<https://www.gsfclimited.com/Content/writereaddata/SEBI/4.%20Code%20of%20Conduct%20of%20Directors%20and%20Senior%20Management%20Personnel.pdf>

L. Availability of Information to the Board

The Board 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 Company has a comprehensive management information system which includes preparation and reporting of operating results by respective units.

The Board has complete access to all the information that is available within the Company. Senior Executives of the Company are invited to the Board and Committee Meetings to present their respective proposals for information, review and decision-making, by the Board / Committee members.

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

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

M. Directors & Officers Insurance Policy

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

CORPORATE GOVERNANCE REPORT (Contd.)

3. BOARD COMMITTEES

As on 31/03/2025 the Board has six Committees, namely: -

- a) Finance-cum-Audit Committee;
- b) Stakeholders' Relationship Committee;
- c) Nomination and Remuneration Committee;
- d) Corporate Social Responsibility Committee;
- e) Risk Management Committee; and
- f) Project Committee.

The Company Secretary acts as the Secretary to each of the aforementioned Committees.

The Committees of the Board are guided by their respective terms of reference, which outline their composition, scope, powers, duties and responsibilities.

The Committees have access to all required information within the Company. The Committees are 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 advices from external sources, whenever required. The Committees act as a link between the Management and the Board.

Details of the terms of reference, composition of the Committees and the number of meetings held during the year under review along with attendance of the members, are provided in the below sections.

A. FINANCE-CUM-AUDIT COMMITTEE

(i) Composition of Committee and attendance of members in meetings

Pursuant to the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations, the Company has a Finance-cum-Audit Committee ("FA Committee") of the Board. The FA Committee comprised the following Directors as members in F.Y. 2024-25:

Sr. No.	Name of Member	Designation
1.	Dr. Ravindra H. Dholakia	Chairman
2.	Mrs. Gauri Kumar, IAS (Retd.)	Member
3.	Mr. Tapan Ray, IAS (Retd.)	Member
4.	Mr. Jagdish Prasad Gupta, IAS (till 05/08/2024)	Member
5.	Dr. Thiruvankadam Natarajan, IAS (from 10/09/2024)	Member

Changes in composition of the Committee between 01/04/2025 and the date of the Report:

Sr. No.	Name of Director	Change	Effective date
1.	Dr. Ravindra H. Dholakia	Cessation	01/09/2025
2.	Mr. Tapan Ray, IAS (Retd.)	Cessation	01/09/2025
3.	Dr. Rama Shanker Dubey	Appointment	02/09/2025
4.	Prof. Sundaravalli Narayanaswami	Appointment	02/09/2025

Note:

1. In view of cessation of Dr. Ravindra H. Dholakia, as a Director of the Company w.e.f. 01/09/2025, he ceased to be the Chairman of the Committee from that date.
2. The Board, vide circular resolution dated 31/08/2025 has reconstituted the Committee and appointed Mrs. Gauri Kumar, IAS (Retd.) as the Chairperson w.e.f. 02/09/2025.

Three out of four members as on 31/03/2025, are independent directors and all the members are Non-Executive Directors. All the members have knowledge and/or experience in the field of Corporate Finance and Accounts.

Details pertaining to the members, dates of meetings and attendance of members of the FA Committee, during the F.Y. 2024-25 are as under:

CORPORATE GOVERNANCE REPORT (Contd.)

Sr. No.	Name of Member	Committee Meeting details				
		136 th Meeting	137 th Meeting	138 th Meeting	139 th Meeting	140 th Meeting
		21/05/2024	05/08/2024	11/11/2024	10/02/2025	28/03/2025
1.	Dr. Ravindra H. Dholakia					
2.	Mrs. Gauri Kumar, IAS (Retd.)			Leave of Absence		
3.	Mr. Tapan Ray, IAS (Retd.)					
4.	Mr. Jagdish Prasad Gupta, IAS ¹ (till 05/08/2024)		Leave of Absence	-	-	-
5.	Dr. Thiruvankadam Natarajan, IAS ² (w.e.f. 10/09/2024)	-	-			

  Present

1. Mr. Jagdish Prasad Gupta, IAS resigned from Directorship of the Company on 05/08/2024; thus, ceased to be a Member of the Committee.
2. Dr. Thiruvankadam Natarajan, IAS was appointed as Director of the Company with effect from 10/09/2024 and was appointed as a Member of the Committee.

(ii) Terms of reference

The Company has systems and procedures in place to ensure that the FA 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. 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:
 - i. Matters, required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of Clause (c) of sub-section (3) of Section 134 of the Act.
 - ii. Changes, if any, in accounting policies and practices and reasons for the same.
 - iii. Major accounting entries involving estimates based on the exercise of judgment by the Management.

CORPORATE GOVERNANCE REPORT (Contd.)

- iv. Significant adjustments made in the financial statements arising out of the audit findings.
 - v. Compliance with listing and other legal requirements relating to financial statements.
 - vi. Disclosure of any Related Party Transactions (RPTs).
 - vii. 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 or preferential issue or qualified institutional placement, and making appropriate recommendations to the Board to take up steps in this matter.
 12. Reviewing and monitoring 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 system.
 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 audits.
 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 discussions 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 Chief Financial Officer (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 Company and its shareholders.
 28. To review the Annual budget of the Company.
 29. Any other term of reference as may be mandated by the Board.

The Committee, relies on the Management's financial expertise and that of the Internal and Statutory Auditors to carry out its responsibilities efficiently and transparently. The Management is responsible for the Company's internal control over financial reporting and the financial reporting process. The Statutory Auditors are responsible for performing an independent audit of the Company's financial statements in accordance with Indian Accounting Standards.

CORPORATE GOVERNANCE REPORT (Contd.)

The FA Committee meetings are usually attended by the CFO of the Company. The Managing Director is also invited to attend the meetings as a Special Invitee. Representatives of Internal Auditors, Statutory Auditors and Cost Auditors etc. are invited to attend the meetings, as and when required.

Dr. Ravindra H. Dholakia, Chairman of the FA Committee remained present at the last i.e. 62nd Annual General Meeting held on 24/09/2024.

All recommendations of the FA Committee were accepted by the Board.

B. STAKEHOLDERS' RELATIONSHIP COMMITTEE

(i) Composition of Committee and attendance of members in meetings

Pursuant to the provisions of Section 178(5) of the Act, and Regulation 20 of the Listing Regulations, the Company has a Stakeholders' Relationship Committee ("SRC") of the Board. The Committee comprised the following directors as members in the F.Y. 2024-25:

Sr. No.	Name of Member	Designation
1.	Dr. Sudhir Kumar Jain	Chairman
2.	Mr. Tapan Ray, IAS (Retd.)	Member
3.	Mr. Kamal Dayani, IAS	Member

Changes in composition of the Committee between 01/04/2025 and the date of the Report:

Sr. No.	Name of Director	Change	Effective date
1.	Mr. Kamal Dayani, IAS (Retd.)	Cessation	31/07/2025
2.	Mr. Sanjeev Kumar, IAS	Appointment	01/08/2025
3.	Mr. Tapan Ray, IAS (Retd.)	Cessation	01/09/2025
4.	Dr. Rama Shanker Dubey	Appointment	02/09/2025
5.	Dr. Sudhir Kumar Jain	Re-appointment	02/09/2025

Mrs. Nidhi Pillai, Company Secretary & Vice President (Legal) is the Compliance Officer for complying with the requirements of the Listing Regulations.

Details pertaining to the members, date of meeting and attendance of members of the SRC during the F.Y. 2024-25 are as under:

Sr. No.	Name of Member	Committee Meeting details
		597 th Meeting
		28/03/2025
1.	Dr. Sudhir Kumar Jain	
2.	Mr. Tapan Ray, IAS(Retd.)	
3.	Mr. Kamal Dayani, IAS	

  Present

The CFO of the Company attends the meetings as a Special Invitee.

As a measure of good Corporate Governance, grievances from shareholders are redressed / responded promptly and adequately.

(ii) Terms of reference

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

- Review the mechanism for redressal of investors' grievances, including complaints related to transmission of shares, non-receipt of Annual Report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.

CORPORATE GOVERNANCE REPORT (Contd.)

- 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.

The following table highlights the details of the complaints received during the F.Y. 2024-25 and their status as on date. It is further reported that as on 31/03/2025, there were no outstanding complaints pertaining to and received during the F.Y. 2024-25:

Sr. No.	Particulars	No. of complaints
a)	Number of complaints received from Shareholders/ Investors during the F.Y. 2024-2025.	44
b)	Number of complaints not redressed to the satisfaction of shareholders / investors.	Nil
c)	Number of requests received for transmission /transposition/name deletion of shares during the F.Y. 2024-25 (IEPF 788 TM cases).	1,035
d)	Number of pending requests for transmission and transposition of shares as on 31/03/2025.	Nil

As mandated by the 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-à-vis the total issued and listed capital, is being carried out by Practicing Company Secretary. The 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 dematerialised shares held with two depositories viz. NSDL and CDSL.

C. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

(i) Composition of Committee and attendance of members in meetings

Pursuant to the provisions of Section 135 of the Act, the Company has a Corporate Social Responsibility Committee ("CSRC"). The CSRC comprised the following directors as members in the FY 2024-25:

Sr. No.	Name of Member	Designation
1.	Mr. Kamal Dayani, IAS	Chairman
2.	Dr. Sudhir Kumar Jain	Member
3.	Mr. Tapan Ray, IAS (Retd.)	Member
4.	Dr. Thiruvankadam Natarajan, IAS	Member

Changes in composition of the Committee between 01/04/2025 and the date of the Report:

Sr. No.	Name of Director	Change	Effective date
1.	Mr. Kamal Dayani, IAS (Retd.)	Cessation	31/07/2025
2.	Mr. Sanjeev Kumar, IAS	Appointment	01/08/2025
3.	Mr. Tapan Ray, IAS, (Retd.)	Cessation	01/09/2025
4.	Mrs. Gauri Kumar, IAS (Retd.)	Re-appointment	02/09/2025

Note:

Mrs. Gauri Kumar, IAS (Retd.) was appointed as a Member of the Committee vice Mr. Tapan Ray, IAS (Retd.) w.e.f. 02/09/2025 vide circular resolution passed by the Board on 31/08/2025.

CORPORATE GOVERNANCE REPORT (Contd.)

Details pertaining to the members, date of meeting and attendance of members of the CSRC during the F.Y. 2024-25 are as under:

Sr. No.	Name of Member	Committee Meeting details	
		11 th Meeting	
		28/03/2025	
1.	Mr. Kamal Dayani, IAS		
2.	Mr. Tapan Ray, IAS (Retd.)		
3.	Dr. Sudhir Kumar Jain		
4.	Dr. Thiruvankadam Natarajan, IAS		

  Present

The details of CSR activities in the prescribed format forms part of the Board's Report to the shareholders.

D. NOMINATION AND REMUNERATION COMMITTEE

(i) Composition of Committee and attendance of members in meetings

Pursuant to the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations, the Company has a Nomination and Remuneration Committee ("NRC"). The NRC comprised the following directors as members in the FY 2024-25:

Sr. No.	Name of Member	Designation
1.	Mrs. Gauri Kumar, IAS (Retd.)	Chairperson
2.	Dr. Sudhir Kumar Jain	Member
3.	Mr. Tapan Ray, IAS (Retd.)	Member
4.	Mrs. Mamta Verma, IAS (till 01/08/2024)	Member
5.	Mr. Syed Jawaid Haider, IAS (w.e.f. 13/08/2024)	Member

Changes in composition of the Committee between 01/04/2025 and the date of the Report:

Sr. No.	Name of Director	Change	Effective date
1.	Mr. Tapan Ray, IAS, (Retd.)	Cessation	01/09/2025
2.	Prof. Sundaravalli Narayanaswami	Appointment	02/09/2025

The Managing Director attends the meetings as a Special Invitee.

Details pertaining to the members, date of meetings and attendance of members of the NRC during the F.Y. 2024-25 are as under:

Sr. No.	Name of Member	Committee Meeting details	
		23 rd Meeting	24 th Meeting
		05/08/2024	12/11/2024
1.	Mrs. Gauri Kumar, IAS (Retd.)		
2.	Dr. Sudhir Kumar Jain		
3.	Mr. Tapan Ray, IAS (Retd.)		
4.	Mr. Syed Jawaid Haider, IAS (w.e.f. 13/08/2024)	—	Leave of absence

  Present

Note:

- a. *Mrs. Mamta Verma, IAS resigned from Directorship of the Company on 01/08/2024 and thus, ceased to be a Member of the Committee.*
- b. *Mr. Syed Jawaid Haider, IAS was appointed as Director of the Company with effect from 13/08/2024 and also appointed as a Member of the Committee.*

(ii) Terms of reference

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

1. 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 (KMPs) and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a Policy on Board diversity;
4. 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;
5. Reviewing succession plans of Board members, KMPs and Senior Management employees;
6. Recommend to the Board, all remuneration, in whatever form, payable to the Senior Management.
7. Deciding whether to extend or continue the term of appointment of the Independent Directors, on the basis of the report of performance evaluation of Independent Directors; and
8. Carry out any other functions as provided under the Act and the Listing Regulations and other applicable laws.

(iii) Policy on Nomination & Remuneration cum Board Diversity

The Company has a Policy on Nomination & Remuneration cum Board Diversity, duly approved by the Board and the same is available at the website of the Company at https://www.gsfclimited.com/Content/writereaddata/Portal/Document/5_1_1_Nomination.pdf

(iv) Performance evaluation

In terms of Section 178 of the Act and Regulation 19 read with Schedule II to the Listing Regulations, the NRC has laid down the criteria for performance evaluation of the Board as a whole, its Committees and individual directors. Based thereon, the Board has carried out the evaluation of its own performance, the directors individually as well as the evaluation of its Committees. The performance evaluation of the Independent Directors excluding the director evaluated, was carried out by the entire Board at its meeting held on 20/05/2025.

The performance evaluation of the Board as a whole was carried out by the Independent Directors at their meetings held on 23/07/2024 and 17/05/2025.

Performance evaluation criteria for the Independent Directors:

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

(v) Criteria and procedure for appointment

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

- The Committee considers ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as a Director, KMP or at Senior Management Personnel and accordingly recommend to the Board his / her appointment.
- The Committee ensures that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel is not disqualified under the Act, rules made there under, Listing Regulations or any other enactment for the time being in force.

CORPORATE GOVERNANCE REPORT (Contd.)

- In case of the appointment of an Independent Director, the Committee ensures that the Independent Director complies with the additional criteria of independence as prescribed under the Act, rules framed there under and the Listing Regulations. For selection of Independent Directors, the Company may use the data bank containing names, addresses and qualifications of persons who are eligible and willing to act as Independent Directors.
- The Company ensure that the Director/ KMP/ Senior Management Personnel is appointed as per the procedures laid down under the provisions of the Act, rules made there under, Listing Regulations or any other enactment, for the time being in force.

(vi) Criteria for deciding remuneration as per Nomination and Remuneration Policy and Criteria for making payment to Non-Executive Directors:

The Committee is authorised to recommend the remuneration to be paid to the directors, KMPs and Senior Management Personnel to the Board for 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, KMPs 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, KMPs and Senior Management Personnel involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Criteria for making payment to Non-Executive Directors

The Company has seven Non-Executive Directors on its Board and are also members of Committees constituted by the Board. These directors contribute effectively in the functioning of the Board and its Committees. The Company pays sitting fees to the Non-Executive Directors for attending the meetings of the Board and its Committees.

During the year under review, all the directors (except the Managing Director - Executive Director and Mr. Syed Jawaid Haider, IAS) were paid sitting fees of Rupees 17,500 per Meeting for attending Board/ Committee meetings.

The provisions relating to service contracts, notice periods, and severance fees are not applicable to the Company for the year under review.

The details of sitting fees paid to the Non-Executive Directors for attending the Board / Committee meetings during the year under review are as follows: (Amount in Rupees)

Sr. No.	Name of Director	Sitting Fees
1.	Mr. Raj Kumar, IAS (Retd.) (till 31/01/2025)	*52,500
2.	Mr. Pankaj H. Joshi, IAS (from 06/02/2025)	*35,000
3.	Mr. Tapan Ray, IAS (Retd.)	3,67,500
4.	Dr. Ravindra H. Dholakia	2,97,500
5.	Mrs. Gauri Kumar, IAS (Retd.)	2,80,000
6.	Dr. Sudhir Kumar N. Jain	2,10,000
7.	Mrs. Mamta Verma, IAS (till 01/08/2024)	*35,000
8.	Mr. Jagdish Prasad Gupta, IAS (till 05/08/2024)	*52,500
9.	Mr. Syed Jawaaid Haider, IAS (from 13/08/2024)	00,000
10.	Dr. Thiruvankadam Natarajan, IAS (from 10/09/2024)	*1,22,500
	Total	14,52,500

**Amount of sitting fees is deposited in the Government treasury by the Company directly.*

The Nomination and Remuneration Policy of the Company, *inter alia*, contains the criteria for making payments to the directors, KMPs and Senior Management employees, and is placed on the Company's website at [5.1.1 Nomination.pdf](#)

(vii) Remuneration to the Executive Director - Managing Director

Mr. Kamal Dayani, IAS, Managing Director of the Company has been nominated by the Government of Gujarat. He is a senior officer of the Indian Administrative Services. He is being paid the remuneration applicable to his scale in the Government, in line with the terms & conditions prescribed by the Government of Gujarat. Mr. Kamal Dayani, IAS, has been appointed as Managing Director of GSFC on additional charge; hence, he is not paid any remuneration by the Company. Accordingly, the provisions relating to service contracts, notice periods, and severance fees are not applicable to the Company for the year under review.

The Nomination and Remuneration Policy of the Company, *inter alia*, contains the criteria for making payments to the Managing Director and is placed on the Company's website at https://www.gsfclimited.com/Content/writereaddata/Portal/Document/5_1_1_Nomination.pdf

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

All expenses, if any, incurred by the directors in discharge of their official duties are reimbursed. 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 transactions with promoters, directors or their relatives or its management or subsidiary that may have potential conflict with the interests of the Company.

(viii) Key Managerial Personnel ('KMP') / Senior Management Personnel etc.

The details of Senior Management Personnel of the Company as on 31/03/2025 are as follows:

Sr. No.	Name of Senior Management Personnel	Designation
1.	Mr. Sanjay Kumar Bajpai	Sr. Vice President (Finance & Legal) and Chief Financial Officer ("CFO") - KMP
2.	Mrs. Nidhi Pillai	Company Secretary and Vice President (Legal) - KMP
3.	Mr. Sanjeev V. Varma	ED (AB, HRS & IR)
4.	Mr. Dilip V. Pathakjee	Sr. Vice President (IT & ITES, S&FS & PU)
5.	Mr. Ravindra S. Erande	Sr. Vice President (Marketing – IP)
6.	Mr. Kanyo S. Badlani	Sr. Vice President (I&MB, U&EC, PLM & FU);
7.	Mr. Ajay V. Bhawe	Sr. Vice President (OP-2)
8.	Mr. Piyul. R. Shah	Sr. Vice President (PDC)
9.	Mr. Satishchandra B. Patel	Sr. Vice President (OP-I & SU) & Factory Manager

Changes in Senior Management Personnel during the F.Y. 2024-25

Mr. Vishvesh D. Nanavaty, erstwhile ED (Finance) & CFO of the Company superannuated on 31/05/2024. Mr. Sanjay Kumar Bajpai, Sr. VP (Finance & Legal) was appointed as the CFO and KMP of the Company with effect from 01/06/2024.

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

The Nomination and Remuneration Policy of the Company, *inter alia*, contains the criteria for making payments to the Senior Management Personnel and is placed on the Company's website at https://www.gsfclimited.com/Content/writereaddata/Portal/Document/5_1_1_Nomination.pdf

(ix) 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 Rules, 2014 are mentioned below:

CORPORATE GOVERNANCE REPORT (Contd.)

- a. **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the F.Y.:** Not applicable, as the Directors are not paid any remuneration.
- b. **The percentage increase in remuneration of each Director, CFO, Chief Executive Officer, Company Secretary or Manager, if any, in the F.Y.:**

There is no remuneration paid to any director. The percentage increase in the remuneration of CFO and Company Secretary was 7% of the basic pay.

Note:

1. In FY 2023-24 and FY 2024-25, the Company had different individuals as CFO, each belonging to distinct employment grades. As a result, the percentage increase in remuneration is not directly comparable for FY 2024-25.
2. The comparison of the increase in remuneration of the Company Secretary between FY 2023-24 and FY 2024-25 is not directly comparable, as the duration of employment in FY 2023-24 was only for 8 months.

- c. **The percentage increase in the median remuneration of employees in the F.Y.:**
Percentage increase in the median remuneration of employees in the Financial Year is 16.57%.
- d. **The number of permanent employees on the roll of Company:** 2,708 Nos. of permanent employees are on the roll of the Company as on 31/03/2025.
- e. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last F.Y. 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 12.97%. 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, the remuneration of all the employees of the Company including the managerial personnel is as per the remuneration policy of the Company.

Details of top ten employees in terms of remuneration drawn and the name of every employee, who:

- a. **If employed throughout the F.Y., was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh Rupees;** The details pertaining to the aforementioned is listed in table below in clause d.
- b. **If employed for a part of the F.Y., 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
- c. **If employed throughout the F.Y. 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:** Nil

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 his/her written request.

- d. All the below mentioned employees were permanent employees as on 31/03/2025 and none of them is holding any equity share of the Company and also that none of them is a relative of any Directors of the Company.

Sr. No.	Name	Designation	Qualification	Experience (in yrs.)	Prev. Exp.	Age	Name of prev Organisation, if any	Date of commencement of service in GSFC
1.	Mr. Sanjeev V Varma	ED (Agri Business, HRS & IR)	B.E. Electronics, P.G. Diploma Management, M.B.A. Finance Mgt.	32.70	0	56 Years, 06 Months	-	28/08/1992
2.	Mr. Nainesh M. Pandya	Sr. Vice President (Project Execution & Civil)	B.E. Civil Engg.	35.02	0	59 Years, 03 Months	-	02/05/1990
3.	Mr. Ajay V Bhawe	Sr. Vice President (Operation-II)	B.E. Chemical Engg.	35.08	0	59 Years, 03 Months	-	11/04/1990
4.	Mr. Ravindra S. Erande	Sr. Vice President (Marketing - IP)	B.E. Chemical Engg.	35.08	0	59 Years	-	11/04/1990
5.	Dr. Pujan B. Vaishnav	Vice President (R&D, CC & MRD)	M.Sc. Chemistry, Ph.D. Chemistry	6.84	11.92	45 Years, 05 Months	E.I.DuPont India Pvt Ltd, Cadila Pharmaceuticals Ltd, United Phosphorus Ltd	02/07/2018
6.	Mr. Dilip V. Pathakjee	Sr. Vice President (IT & ITeS, S&FS & PU)	B.E. Chemical, M.E. Chemical, M.B.A. Finance Mgt., P. G. Diploma Treasury	17.10	18.52	57 Years, 08 Months	Doshion Ltd., GSFC Ltd.	01/04/2008
7.	Mr. Alpesh B Gupta	Sr. Vice President (SIKKA UNIT)	B.E. Chemical Engg.	33.13	0	57 Years, 09 Months	-	22/03/1992
8.	Mr. Satish-chandra B Patel	Sr. Vice President (Operation-1 & SU) & Factory Manager	B.E. Chemical Engg.	32.75	0	57 Years, 06 Months	-	09/08/1992
9.	Mr. Kanyo S Badlani	Sr. Vice President (I&MB, U&EC, PLM & FU) & MR	B.E. Chemical Engg.	34.11	0	58 Years, 04 Months	-	31/03/1991
10.	Mr. Manish H. Desai	Sr. Vice President (Design, Construction & Insp.)	B.E. Mechanical	33.19	0	58 Years, 07 Months	-	03/03/1992

E. RISK MANAGEMENT COMMITTEE

(i) Composition of Committee and attendance of members in meetings

Pursuant to the provisions of Regulation 21 of the Listing Regulations, the Company has a Risk Management Committee ("RMC"). The RMC comprised the following directors as members in the F.Y. 2024-25:

Sr. No.	Name of Member	Designation
1.	Mr. Kamal Dayani, IAS	Chairman
2.	Mr. Tapan Ray, IAS (Retd.)	Member
3.	Dr. Ravindra H. Dholakia	Member
4.	Mrs. Gauri Kumar, IAS (Retd.)	Member
5.	Dr. Thiruvankadam Natarajan, IAS	Member

CORPORATE GOVERNANCE REPORT (Contd.)

Changes in composition of the Committee between 01/04/2025 and the date of the Report:

Sr. No.	Name of Director	Change	Effective date
1.	Mr. Kamal Dayani, IAS (Retd.)	Cessation	31/07/2025
2.	Mr. Sanjeev Kumar, IAS	Appointment	01/08/2025
3.	Mr. Tapan Ray, IAS (Retd.)	Cessation	01/09/2025
4.	Dr. Ravindra H. Dholakia	Cessation	01/09/2025
5.	Dr. Rama Shanker Dubey	Appointment	02/09/2025
6.	Prof. Sundaravalli Narayanaswami	Appointment	02/09/2025

Details pertaining to the members, date of meetings and attendance of members of the RMC during the F.Y. 2024-25 are as under:

Sr. No.	Name of Member	Committee Meeting details	
		9 th Meeting	10 th Meeting
		28/06/2024	24/01/2025
1.	Mr. Kamal Dayani, IAS		
2.	Dr. Ravindra H. Dholakia		
3.	Mrs. Gauri Kumar, IAS (Retd.)	Leave of Absence	Leave of Absence
4.	Mr. Tapan Ray, IAS (Retd.)		
5.	Mr. Jagdish Prasad Gupta, IAS (till 05/08/2024) ¹		—
6.	Dr. Thiruvankadam Natarajan, IAS (w.e.f. 10/09/2024) ²	—	

 Present

¹ Mr. Jagdish Prasad Gupta, IAS resigned from the Directorship of the Company on 05/08/2024; thus, ceased to be a Member of the Committee.

² Dr Thiruvankadam Natarajan, IAS has been appointed as Director with effect from 10/09/2024 and was appointed as a Member of the Committee.

The meetings of RMC are attended by the senior officials of the Company.

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

The Risk Review Report contains risks during the period under consideration, their financial impact and measures implemented by the Company to mitigate those risks. The RMC reviews risks trends, exposure, and potential impact analysis and mitigation plan, and critical matters, if any are also reported to the Board.

Business Risk Assessment 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.

(ii) Terms of reference

The objective and scope of the RMC 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 Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risks 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 informed about the nature and content of its discussions, recommendations and actions to be taken; and
- 6) To appoint, remove and determine the terms of remuneration of the Chief Risk Officer (if any).

F. PROJECT COMMITTEE

(i) Composition of Committee and attendance of members in meetings

The Project Committee comprised the following directors as its members in the F.Y. 2024-25:

Sr. No.	Name of Member	Designation
1.	Mr. Tapan Ray, IAS (Retd.)	Chairman
2.	Mr. Kamal Dayani, IAS	Member
3.	Dr. Sudhir Kumar Jain	Member
4.	Dr. Ravindra H. Dholakia	Member
5.	Mrs. Gauri Kumar, IAS (Retd.)	Member
6.	Mrs. Mamta Verma, IAS (till 01/08/2024)	Member
7.	Mr. Syed Jawaid Haider, IAS (w.e.f 13/08/2024)	Member

Changes in composition of the Committee between 01/04/2025 and the date of the Report:

Sr. No.	Name of Director	Change	Effective date
1.	Mr. Kamal Dayani, IAS (Retd.)	Cessation	31/07/2025
2.	Mr. Sanjeev Kumar, IAS	Appointment	01/08/2025
3.	Mr. Tapan Ray, IAS (Retd.)	Cessation	01/09/2025
4.	Dr. Ravindra H. Dholakia	Cessation	01/09/2025
5.	Dr. Rama Shanker Dubey	Appointment	02/09/2025
6.	Prof. Sundaravalli Narayanaswami	Appointment	02/09/2025

Note:

In view of cessation of Mr. Tapan Ray, IAS (Retd.), Chairman of the Committee w.e.f. 01/09/2025, the Committee has been reconstituted vide circular resolution passed by the Board on 31/08/2025 and Dr. Sudhir Kumar Jain was appointed as the new Chairman w.e.f. 02/09/2025.

Details pertaining to the members, date of meetings and attendance of members of the Project Committee during the F.Y. 2024-25 are as under:

CORPORATE GOVERNANCE REPORT (Contd.)

Sr. No.	Name of Director	Committee Meeting details			
		503 rd Meeting	504 th Meeting	505 th Meeting	506 th Meeting
		09/05/2024	23/07/2024	07/11/2024	24/01/2025
1.	Mr. Tapan Ray, IAS (Retd.)				
2.	Mr. Kamal Dayani, IAS				
3.	Mr. Sudhir Kumar Jain		Leave of Absence		
4.	Mrs. Gauri Kumar, IAS (Retd.)				Leave of Absence
5.	Dr. Ravindra H. Dholakia				
6.	Mrs. Mamta Verma, IAS ¹	Leave of Absence		—	—
7.	Mr. Syed Jawaid Haider, IAS ²	—	—	Leave of Absence	

  Present

¹ Mrs. Mamta Verma, IAS resigned from the Directorship of the Company on 01/08/2024, thus ceased to be a Member of the Committee.

² Mr. Syed Jawaid Haider, IAS has been appointed as Director with effect from 13/08/2024, and also appointed as a Member of the Committee.

4. GENERAL BODY MEETING

Date & Venue of the last three Annual General Meetings:

Particulars	Meetings	62 nd AGM	61 st AGM	60 th AGM
Date		24/09/2024	22/09/2023	27/09/2022
Start Timing		03:00 PM	11.30 AM	11.30 AM
Venue		Through Video Conferencing ("VC")/ other Audio Visual Means ("OAVM") and registered office of the Company at P.O. Fertilizernagar, Vadodara- 391750 was the deemed venue.		
Details of Special Resolutions passed, if any		No Special Resolution was passed		

i. No Extraordinary General Meeting was held during the last three years.

ii. POSTAL BALLOT:

During the year under review, in compliance with the applicable provisions of the Act, Listing Regulations and relevant circulars issued by MCA, a postal ballot activity was conducted, details whereof are as under:

Date of Postal Ballot Notice	Purpose	Resolution
18/02/2025	To consider appointment of Mr. Pankaj H. Joshi, IAS (DIN 01532892) as Director and Chairman of the Company	Ordinary Resolution.

Procedure for Postal Ballot:

- (i) Mr. Niraj Trivedi, Practicing Company Secretary (FCS no. 3844 CP. No. 3123), was appointed as Scrutiniser for scrutinizing the process of Postal Ballot through remote e-voting.
- (ii) Remote e-voting through Postal Ballot commenced on 21/02/2025 and concluded on 22/03/2025.
- (iii) Based on the Scrutinizer's Report, the results of the remote e-voting were declared on 24/03/2025.
- (iv) The results of the above Postal Ballot were submitted to the stock exchange(s) upon receipt of the Report from the Scrutinizer on 24/03/2025.

At the forthcoming Annual General Meeting, no Special Resolution is proposed to be conducted through Postal Ballot.

5. OTHER DISCLOSURES**i. Policy on dealing with the Related Party Transactions and disclosure of materially significant Related Party Transactions**

During the year under review, there were no Related Party Transactions (RPTs) which had a potential conflict with the interest of the Company at large. All RPTs entered during the F.Y. were in the ordinary course of business of the Company and on arm's length terms. Prior approval of FA Committee was sought for all the RPTs and FA Committee on quarterly basis has reviewed all RPTs vis-à-vis approvals accorded by it. Details pertaining to RPTs are included in Note No. 39 of the Annual Accounts of the Company, which form a part of this Report.

There is no material RPTs 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.

The Company has a Policy for dealing with the RPTs, the said policy is available on the website of the Company at weblink at the following link:

https://www.gsfclimited.com/Content/writereaddata/SEBI/7.%20Policy_on_dealing%20with%20Related_Party_Transactions.pdf

ii. Details of non-compliance by the Company and/or penalties & strictures imposed on the Company by stock exchange(s) or SEBI or any statutory authority, on any matter related to capital market during last three years

There are no instances of non-compliance by the Company and/or imposition of penalties and / or strictures on the Company by stock exchange(s) or SEBI or any statutory authority on any matter related to capital market, during last three years.

Further, there is no non-compliance of any requirement of the Corporate Governance Report as prescribed under sub-para (2) to (10) of Part C of Schedule V of the Listing Regulations.

iii. Vigil Mechanism/Whistle Blower Policy

The Company has a Vigil Mechanism/ 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

https://www.gsfclimited.com/Content/writereaddata/SEBI/5.%20GSFC_WHISTLE_BLOWER_POLICY.pdf

There was no incident/ complaint received in this regard and no personnel have been denied access to the FA Committee.

iv. Disclosure of loans and advances in the nature of loans to firm/companies in which directors are interested along with name and amount

During the year under review, no loans and advances were given to any firm/company in which directors were interested.

v. Disclosure of certain types of agreements binding the Company

During the year under review, there are no agreement mentioned under Clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations that are binding on the Company.

vi. Compliance with mandatory requirements of Corporate Governance

The Company has complied with all mandatory requirements specified in Regulation(s) 17 to 27 and Clauses (b) to (i) of Regulation 46 (2) of the Listing Regulations relating to Corporate Governance.

vii. Code of Conduct

The Company has framed a Code for Board members and Senior Management which is available on the Company's website at the following link: <https://www.gsfclimited.com/Content/writereaddata/SEBI/4.%20Code%20of%20Conduct%20of%20Directors%20and%20Senior%20Management%20Personnel.pdf>

CORPORATE GOVERNANCE REPORT (Contd.)

All directors and Senior Management Personnel have affirmed compliance with above Code for F.Y. ended 31/03/2025.

viii. Managing Director/ CEO Certification

The Managing Director of the Company has certified the compliance of Code of Conduct in respect of the F.Y. 2024-25 by the Board Members & Senior Management and the said Certificate forms part of this Report.

ix. Compliance of all the applicable laws

The Company has complied with all applicable statutory requirements, and the status of such compliance is reported to the Board on quarterly basis. Further, in preparation of the financial statements, all the applicable Accounting Standards have been followed.

x. Disclosure pertaining to Policy relating to Sexual Harassment at Workplace

The Company has a Policy in place for prevention of harassment at work place in terms of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Committee is constituted to redress complaints received and the Committee directly reports the same to the Managing Director. All employees (permanent, contractual, temporary, trainees) are covered under the Policy. The details pertaining to complaint received and disposed of for the year under review, are as follows:

Complaints received	Complaints disposed of	No, of complaints pending for more than 90 days
NIL	NIL	NIL

xi. Disclosure of Policies and Statutory Documents on the Company's Website

The following policies, information, and documents, as required under the Act and the Listing Regulations, are available on the Company's website at the following web link:

<https://www.gsfclimited.com/sebi-listing-regulations>

1. Vigil Mechanism/ Whistle Blower Policy.
2. Policy for Evaluation of Board Performance.
3. Terms of Appointment of Independent Directors.
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 for Independent Directors of the Company.
10. 63rd AGM e-voting process & Book Closure Notice.
11. Notice of 63rd Annual General Meeting.
12. Authority to Key Managerial Personnel 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 filings.
17. Press Clippings.
18. Dividend Distribution Policy.
19. Risk Management Policy.

6. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company ensures that its independent directors are kept well-informed and abreast of all the key developments relating to the business, regulatory environment, and their roles and responsibilities.

As part of the familiarization Programme, the Company issues appointment letters to newly appointed independent directors, which include details of the Committee(s) where he / she is appointed as a Member, information about other Board constituted Committees, roles and responsibilities as an Independent Director. He / she is also provided with comprehensive induction kits that include a detailed overview of the Company's history, product portfolio, key milestones, number of manufacturing facilities, group structure, and other relevant information. The kit also outlines the statutory compliance requirements under the Act and Listing Regulations, along with an overview of the Company's operations and governance practices.

The independent directors are appraised, during the Board and Committee meetings held at regular intervals, about various significant matters pertaining the Company, including but not limited to the following:

- i. Industry updates and market scenario of agri-business & Industrial Products;
- ii. Operational & financial performance of the Company;
- iii. Updates on projects under development and those under execution;
- iv. Annual budget;
- v. Assessment, mitigation and monitoring of identified risks;
- vi. Update in policies of the Company on account of any change in the Act and / or Listing Regulations;
- vii. Significant internal audit findings / observations;
- viii. CSR initiatives,

Further, in order to facilitate a deeper understanding of the business, the Senior Management team, representing all major departments of the Company, conduct detailed presentations for the directors. These sessions cover the roles and responsibilities of directors, the operational structure of various departments, and provide updates on strategic initiatives, performance, and compliance matters. The independent directors also have interactions with Senior Management to deliberate on key functional matters.

Details of the duration of familiarization sessions of the directors during the year under review are as under:

Sr. No.	Names of directors	During the financial year 2024-25		Cumulative (Hours) ¹	
		No. of Sessions	Duration (Hours) (approx.)	No. of Sessions	Duration (Hours) (approx.)
1.	Mr. Tapan Ray, IAS (Retd.)	4	7	4	7
2.	Dr. Ravindra H. Dholakia	5	10	5	10
3.	Mrs. Gauri Kumar, IAS (Retd.)	4	6	4	6
4.	Dr. Sudhir Kumar N. Jain	3	6	3	6

Note:

1. *Duration of the Familiarisation Programme not being reported in the previous F.Y.(s), the reported duration of the Familiarization Programme solely pertains to F.Y. 2024-25.*

Details of the familiarisation programmes undertaken during the F.Y. 2024-25 are available on the website of the Company and at the following link:

<https://www.gsfclimited.com/Content/writereaddata/SEBI/9.%20details%20of%20Familiarization%20programmes.pdf>

7. INDEPENDENT DIRECTORS' MEETING

During the year under review and till the date of this Report, meetings of the independent directors were held on 23/07/2024 and 17/05/2025 for:

- i. Evaluation of performance of non-independent directors and the Board as a whole;
- ii. Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- iii. 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.

CORPORATE GOVERNANCE REPORT (Contd.)

Sr. No.	Name of Member	Details of the Meeting	
		11 th Meeting	12 th Meeting
		23/07/2024	17/05/2025
1.	Mr. Tapan Ray, IAS (Retd.)		
2.	Dr. Ravindra H. Dholakia		
3.	Mrs. Gauri Kumar, IAS (Retd.)		
4.	Dr. Sudhir Kumar N. Jain	Leave of Absence	

  Present

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 with its subsidiaries in the immediately preceding accounting year or has generated 10% of the consolidated income of the holding company with its subsidiaries during the previous F.Y. Accordingly, the Policy on Material Subsidiaries has not been formulated.

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

9. MEANS OF COMMUNICATION

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

The Company's financial results and other information are timely sent to the stock exchange(s) so that they are available on their websites and are simultaneously uploaded on the website of the Company at <https://www.gsfclimited.com/quarterly-reports>.

The Management Discussion & Analysis Report on financial and operational performance of the Company along with an overview of the opportunities & threats, forms a part of the Board's Report to shareholders.

During the year ended 31/03/2025, there are no presentations that are made to institutional investors. The presentation post financial results are intimated to the stock exchange(s) and are also uploaded on the website of the Company.

Report for the quarter ended	Date of submission to stock exchange(s)
30/06/2024	05/08/2024
30/09/2024	12/11/2024
31/12/2024	10/02/2025
31/03/2025	20/05/2025

10. GENERAL SHAREHOLDERS' INFORMATION

- a. **Annual General Meeting:** The 63rd Annual General Meeting of the Company will be held on Wednesday 24/09/2025 at 3:00 pm through video conferencing. The Registered Office of the Company is the deemed venue for the 63rd Annual General Meeting.

b. Financial Calendar

The F.Y. of the Company is from 1st April to 31st March. The tentative financial calendar for the F.Y. 2025-26 is given below:

Period	Publication
Unaudited Financial Results for the quarter ending 30/06/2025	07/08/2025
Unaudited Financial Results for the quarter and half-year ending 30/09/2025	Latest by 14/11/2025
Unaudited Financial Results for the quarter and nine-months ending 31/12/2025	Latest by 14/02/2026
Audited Results for Quarter and financial year ending 31/03/2026	Latest by 30/05/2026

c. Book Closure Date: The Register of Members of the Company shall remain closed from, Wednesday, 10/09/2025 to Wednesday, 24/09/2025 (both days inclusive).

d. Dividend payment date: Dividend shall be paid on or after 30/09/2025.

e. Listing of Equity Shares & ISIN

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

I.

Sr. No.	Name & Address of the Exchange	Scrip Code	ISIN
1.	Bombay Stock Exchange Limited 1 st Floor, New Trading Ring, Street, Fort	500690	INE026A01025
2.	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 NSE Limited for the F.Y. 2025-26 have been paid by the Company.

II. Corporate Identification Number (CIN): L99999GJ1962PLC001121.

III. Annual Custody Charges

The Company has paid the Annual Custody Charges to NSDL and CDSL for the F.Y. 2025-26.

f. Share Transfer System and Registrar & Share Transfer Agents of the Company

The RTA of the Company is MUFG Intime India Pvt. Ltd. (Formerly known as Link Intime India Pvt. Ltd.), located at C-101, Embassy 247, LBS.Marg, Vikhroli (West), MUMBAI - 400083 and local branch office 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 with effect from 01/04/2019. Accordingly, the transfer of securities would be carried out only in dematerialized form.

g. Dematerialization of shares and liquidity

The Company's shares are compulsorily tradeable in dematerialized form on BSE and NSE which provides sufficient liquidity to the investors. As on 31/03/2025, 98.60% of the Equity Shares have been dematerialized with NSDL and CDSL.

h. Distribution of Shareholding as on 31/03/2025**Pattern of Shareholding (Category wise)**

Category	No. of shares	Percentage
Promoter: Gujarat State Investments Limited	15,07,99,905	37.84
Public Financial Institutions, Insurance Companies & Mutual Fund	2,90,59,215	7.29
Companies & Banks	8,06,18,145	20.23
Individuals, Co-operative Societies & Co-operative Banks	13,80,00,265	34.64
Total	39,84,77,530	100.00

Pattern of Shareholding (Shareholding wise):

Category(No. of shares)	No. of shareholders	%	No. of shares	%
From To				
Up to 500 Shares	295119	87.75	32438453	8.14
501 – 1000	21565	6.41	16672074	4.18
1001 – 2000	10486	3.12	15593887	3.91
2001 – 3000	3305	0.98	8385849	2.10
3001 – 4000	1415	0.42	5066473	1.27
4001 – 5000	1204	0.36	5698722	1.43
5001 – 10000	1774	0.53	12948359	3.25
10001 and above	1441	0.43	301673713	75.71
Total	336309	100.00	39,84,77,530	100.00

i. 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 124 and 125 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 F.Y. 2016-17 along with corresponding shares were transferred to the IEPF established by the Central Government under applicable provisions of the Act. The Company had communicated to all the concerned shareholders individually whose dividend and shares were liable to be transferred to IEPF. The Company had also given newspaper advertisements before transfer of such shares and dividend in favour of IEPF. The 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/Content/writereaddata/Portal/IEPFAndDividendFDDoc/42_1_1_UNPAID-2023-24.pdf.

Details of Unpaid Dividend Account and due dates of transfer to the IEPF is given below:

Sr.No.	Financial Year	Declaration Date	Due date of transfer to IEPF
a.	2017-18	28/09/2018	03/11/2025
b.	2018-19	27/09/2019	02/-11/2026
c.	2019-20	30/09/2020	05/11/2027
d.	2020-21	27/09/2021	02/11/2028
e.	2021-22	27/09/2022	02/11/2029
f.	2022-23	22/09/2023	28/10/2030
g.	2023-24	24/09/2024	30/10/2031

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

- Submit self-attested copies of documents provided in IEPF 5 help kit, which is available on IEPF website (www.iepf.gov.in) to the Company / RTA.
- After verification of the aforesaid documents submitted, the Company will issue an Entitlement Letter.
- 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 the Company.
- On receipt of the physical documents mentioned above, the Company will submit e-Verification Report, for further processing by the IEPF Authority.

- v. 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 the SEBI Circular dated 25/01/2022, 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') will be issued to the shareholders in lieu of a physical securities certificate. LoC shall be valid for a period of 120 days, within which the shareholder is required to apply to his / her Depository Participant with a request to dematerialize the same. In case the shareholder(s) fail to submit the dematerialisation request within 120 days, the Company shall credit such 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 upon submission of documentation prescribed by SEBI.

The details of Equity Shares in the Unclaimed Suspense Demat account are as follows:

Particulars	No. of shareholders	No. of Equity Shares
Aggregate number of shareholders and outstanding shares in the Unclaimed Suspense Demat Account at the beginning of the year i.e. 01/04/2024.	24	1,740
Number of shareholders who approached the Company for transfer of shares from Unclaimed Suspense Demat Account suspense account during the F.Y. 2024-25.	-	-
Number of shareholders whose shares were transferred to the Unclaimed Suspense Demat Account during the F.Y. 2024-25.	-	-
Number of shareholders whose shares were transferred from the Unclaimed Suspense Demat Account to the IEPF Authority during the F.Y. 2024-25.	-	-
Aggregate number of shareholders and outstanding shares in the Unclaimed Suspense Demat Account at the end of the year i.e. 31/03/2025	24	1,740

i. Pledging of shares

During the year under review, no pledge was created over the Equity Shares held by the promoters.

ii. Final Dividend

Dividend of ₹ 5 per Equity Share (Face Value) of ₹ 2 each has been recommended by the Board on the Equity Shares which shall be paid/ distributed within the stipulated period on or after 30/09/2025 upon its approval by the shareholders in the ensuing 63rd Annual General Meeting.

iii. Fees paid to Statutory Auditor

During the year, the Company and its subsidiaries have paid total fees of ₹ 15.51 lakhs to the Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditors are a part of, for all the services provided by them on a consolidated basis. The bifurcation of services availed is provided in Note No. 35 of the Annual Accounts, which forms a part of this Report.

iv. Disclosure pertaining to utilization of funds raised through Preferential Issue or Qualified Institutional Placement

The Company has not raised funds through Preferential Allotment or Qualified Institutional Placement, therefore, disclosure in terms of Regulation 32 (7A)- read with Schedule V(C)-10(h) is not applicable to the Company.

CORPORATE GOVERNANCE REPORT (Contd.)

v. Disclosure on acceptance of recommendations made by the Board Committees

The Board has accepted all the recommendations of all its Committees, during the F.Y. 2024-25 in terms of Schedule V(C)-9(n) of Listing Regulations.

vi. Disclosure of commodity price risk or foreign exchange risk and hedging activities

The Company has in place Foreign Currency Risk Management Policy. During the year under review, the Company did not face any commodity price risk or foreign exchange risk.

vii. Discretionary requirement as prescribed in Part E of Schedule II of the Listing Regulations

The Company has complied with the following discretionary requirements:

- i. The Auditor's Report on standalone and consolidated financial statements of the Company for the F.Y. ended 31/03/2025 is unqualified.
- ii. The Company has appointed separate persons to the posts of Chairman and Managing Director.
- iii. The Internal Auditor reports directly to the FA Committee.

viii. Unit-wise Plant locations

The Company's Units are located as follows:

Baroda Unit	Fertilizernagar – 391 750, Dist. Vadodara.
Polymer Unit	P. O. Petrochemicals, Dist. Vadodara.
Fibre Unit	Kuwarda, Dist. Surat.
Sikka Unit	Motikhavdi, Dist. Jamnagar

j. Outstanding ADRs/GDRs/Warrants or any convertible instruments

As of 31/03/2025, the Company has no outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments.

k. 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@gsfcilt.com Website: www.gsfciltlimited.com

Or

Registrar & Transfer Agents for Equity Shares of the Company:
R&T Name & Address: **MUFG Intime India Pvt. Limited,**
Geetakunj, 1, Bhaktinagar Society, Behind ABS Tower, Old Padra Road, Vadodara - 390 015.
Tel No: +91 265 -3566768, +91 0265 -3566826 E-mail id: vadodara@in.mpms.mufg.com
Website: www.in.mpms.mufg.com
R&T HO Address: MUFG Intime India Pvt Limited, C-101, 247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai – 400 083, Tel No : +91 22 49186270

l. List of all Credit Ratings for the F.Y. 2024-25

Rating Agency	Instrument type	Rating	Remark
CARE Ratings	Long Term Bank Facilities	CARE AA+; STABLE	The respective credit rating agency reaffirmed the credit ratings during the F.Y.
	Short Term Bank Facilities and Commercial paper	CARE A1+	
India Ratings & Research	Long Term Bank Facilities	IND AA+	
	Short Term Bank Facilities	IND A1+	

CORPORATE GOVERNANCE REPORT (Contd.)

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, as amended from time to time.

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, 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, 2025, have 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*
1	Ravindra Harshadrai Dholakia	00069396	02/09/2020
2	Tapan Ray	00728682	02/09/2020
3	Gauri Kumar	01585999	02/09/2020
4	Kamal Dayani	05351774	01/02/2024
5	Sudhir Kumar Jain	03646016	02/09/2020
6	Pankaj Harishchandra Joshi	01532892	06/02/2025
7	Syed Jawaid Haider	02879522	13/08/2024
8	Thiruvenskadam Natarajan	00396367	10/09/2024

* 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 : 30th July, 2025
Place : Vadodara

SIGNATURE : **Sd/-**
NAME OF PCS : **NIRAJ TRIVEDI**
FCS : **3844**
C.P. NO. : **3123**
UDIN : **F003844G000891313**

CORPORATE GOVERNANCE REPORT (Contd.)

CORPORATE GOVERNANCE CERTIFICATE

For the Financial Year ended March 31, 2025

[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, 2025 ("review period"), as per the relevant provisions of Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Governance. It is neither an audit nor an expression of an opinion on the financial 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

ICSI Unique Code: P2002GJ013100

ICSI Peer review # 884/2020

UDIN: A009711G000720245

Place : Vadodara

Date : 05th July, 2025

FINANCIAL HIGHLIGHTS OF TEN YEARS

PARTICULARS	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
OPERATING RESULTS										(₹ in Crores)
GROSS INCOME	9742	9308	11445	9178	7683	7730	8679	6404	5477	6326
GROSS PROFIT	932	847	1750	1483	690	297	791	610	478	694
DEPRECIATION	192	183	182	178	176	170	125	119	103	97
EXCEPTIONAL ITEMS	0	0	0	0	0	0	0	0	-	-
PROFIT/(LOSS) BEFORE TAX	740	664	1568	1305	513	127	665	491	375	597
TAX	167	140	275	414	96	28	172	15	-45	188
PROFIT/(LOSS) AFTER TAX	573	524	1293	891	418	99	494	476	420	409
DIVIDEND	199.24	159.39	398.48	100	88	48	88	88	88	88
DIVIDEND TAX	0	0	0	0	0	0	18	18	18	18
AMOUNT PER SHARE (RUPEES)*										
SALES	237	224	284	226	188	191	215	158	137	159
EARNING	14	13	32	22	10	2	12	12	11	10
CASH EARNING	21	18	34	29	17	7	17	14	11	12
EQUITY DIVIDEND	5	4	10	2.5	2.2	1.2	2.2	2.2	2.2	2.2
BOOK VALUE	301	316	300	293	229	171	182	182	165	122
MARKET PRICE:										
HIGH	275	322	199	169	107	111	138	166	132	91
LOW	158	119	115	82	36	30	86	113	64	57

* Per share figures are based on face value of ₹ 2/- per share.

Independent Auditor's Report

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, 2025, 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, 2025 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 Matters	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, 2025 works out to ₹ 4,891.45 Lakhs & ₹ 128.21 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.

Independent Auditor's Report (Contd...)

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 ₹ 3,73,830.02 Lakhs and the aggregate amount of subsidy receivable as at March 31, 2025 is ₹ 1,11,325.35 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 were 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.

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.

If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

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.

Independent Auditor's Report (Contd...)

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, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the 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

Independent Auditor's Report (Contd...)

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.

Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

For Parikh Mehta & Associates
Chartered Accountant
Firm Reg. No.: 112832W

Sd/-
Tejal Parikh
Partner

Membership No. 109600
UDIN : 25109600BMKPLF3693

Place : Gandhinagar
Date : May 20, 2025

Independent Auditor's Report (Contd...)

ANNEXURE "A" TO INDEPENDENT AUDITOR'S REPORT FOR THE PERIOD ENDED MARCH, 2025

(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 promote, director or their relative or employee	Period held	Reason for not being held in name of Company*
Dahej Land	30,860.19	27,075.44	-	No	99	The Lease deed execution is pending because of technical issues like land occupied by Canal & wells/ approach roads, etc. *(not in dispute)

- d) The Company has not revalued its Property, Plant and Equipment or intangible assets or both 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, 2025 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 crores rupee, in aggregate, from banks during the year, on the basis of security of current assets. In our opinion, the quarterly

Independent Auditor's Report (Contd...)

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:

(₹ in Lakhs)

Particulars	Loans
Aggregate amount of loan given during the year:	
- Employees	3,994.03
Balance outstanding as at the balance sheet date in respect of above case:	
- Employees	28,355.50

- 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 fresh loans 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

Independent Auditor's Report (Contd...)

to it to the appropriate authorities. There are no undisputed statutory dues outstanding for more than six months as on March 31, 2025.

- 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, 2025 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 & penalty)	Unpaid amount (excl. interest & 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
		Additional Commissioner, Customs Duty	F.Y. 2017-18	9.36	8.66
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. 2012-13	159.31	99.31
		GVAT Tribunal	F.Y. 2006-07 F.Y. 2007-08 F.Y. 2011-12	194.28	112.28
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. 2007-11	1716.46	1247.97
Bihar GST Act, 2017	GST	Commissioner (Appeals)	F.Y. 2017-21	98.50	70.14
UP GST Act, 2017	GST	Commissioner (Appeals)	F.Y. 2019-21	59.33	55.13
Central GST Act, 2017 – WB State	GST	Commissioner (Appeals)	F.Y. 2020-21	17.32	17.32

Independent Auditor's Report (Contd...)

Central GST Act, 2017 – MP State	GST	Commissioner (Appeals)	F.Y. 2019-20	102.63	92.36
MH GST Act, 2017	GST	Commissioner (Appeals)	F.Y. 2020-21	0.58	0.58
Central GST Act, 2017	GST	Commissioner (Appeals)	F.Y. 2017-18	28.23	22.58
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	A.Y. 2018-19	17.96	17.96

- (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 or 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.

Independent Auditor's Report (Contd...)

- (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 Accountants
Firm Reg.No.: 112832W

Sd/-
Tejal Parikh
Partner

Membership No. 109600
UDIN : 25109600BMKPLF3693

Place : Gandhinagar
Date : May 20, 2025

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, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on, "the internal 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

Independent Auditor's Report (Contd...)

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, 2025, 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 Accountants
Firm Reg. No.: 112832W

Sd/-
Tejal Parikh
Partner
Membership No. 109600
UDIN : 25109600BMKPLF3693

Place : Gandhinagar
Date : May 20, 2025

BALANCE SHEET AS AT 31ST MARCH, 2025

(₹ in lakhs)

Particulars	Note	As at 31 st March 2025	As at 31 st March 2024
A. ASSETS			
1. Non-current assets			
(a) Property, Plant and Equipments	5	2,45,734.34	2,50,079.65
(b) Capital work-in-progress	5	68,956.21	23,522.56
(c) Right of Use Assets	5	3,785.59	4,018.50
(d) Other Intangible assets	6	438.14	256.05
(e) Financial Assets			
(i) Investments			
- Investments in associates	7	2,549.14	4,749.84
- Investments in others	7	4,96,760.66	5,90,868.71
(ii) Others financial assets	8	8,696.44	8,530.43
(f) Income tax assets (Net)	23	5,366.92	6,130.41
(g) Other non current assets	9	32,039.24	40,295.71
		8,64,326.68	9,28,451.86
2. Current assets			
(a) Inventories	10	1,40,083.80	1,20,573.76
(b) Financial Assets			
(i) Trade receivable	11	54,959.40	50,198.49
(ii) Government subsidies receivable	12	1,11,325.35	1,10,630.80
(iii) Cash and cash equivalents	13	23,846.41	51,233.33
(iv) Bank balances other than (iii) above	14	1,61,917.67	1,76,762.25
(v) Loans	15	28,355.50	25,886.96
(vi) Others financial assets	16	7,816.71	8,048.04
(c) Other current assets	17	26,898.15	16,178.86
		5,55,202.99	5,59,512.49
3. Assets held for sale	18	-	-
TOTAL ASSETS		14,19,529.67	14,87,964.35

BALANCE SHEET AS AT 31ST MARCH, 2025 (Contd...)

(₹ in lakhs)

Particulars	Note	As at 31 st March 2025	As at 31 st March 2024
B. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	19	7,969.55	7,969.55
(b) Other Equity	20	11,92,513.86	12,53,121.83
		12,00,483.41	12,61,091.38
LIABILITIES			
1. Non-current liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities - Non Current	24	67.21	152.12
(b) Provisions	21	45,659.13	56,814.78
(c) Deferred tax liabilities (Net)	23	45,945.36	44,651.49
		91,671.70	1,01,618.39
2. Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	-	250.45
(ii) Lease Liabilities - Current	24	109.23	108.30
(iii) Trade payables	25		
- Total outstanding dues of micro enterprise and small enterprise		3,333.98	1,762.34
- Total outstanding dues of creditors other than micro enterprise and small enterprise		61,864.77	73,402.76
(iv) Other financial Liabilities	26	42,907.14	29,193.95
(b) Other current liabilities	27	4,896.61	5,256.18
(c) Provisions	28	11,133.45	14,325.00
(d) Current tax liabilities (Net)	23	3,129.38	955.60
		1,27,374.56	1,25,254.58
TOTAL EQUITY & LIABILITIES		14,19,529.67	14,87,964.35
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)

S. K. Bajpai
SVP (Finance & Legal) & CFO

Tapan Ray
Director
(DIN-00728682)

Nidhi Pillai
Company Secretary

Gandhinagar
20th May, 2025

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

(₹ in lakhs)

Particulars	Note	Year Ended 31 st March	
		2025	2024
I Income			
Revenue from operations	29	9,42,871.33	8,93,211.55
Other income	30	31,294.73	37,617.34
Total income		9,74,166.06	9,30,828.89
II Expenses			
Cost of materials consumed	31	4,99,656.98	4,76,112.72
Purchase of stock in trade		1,10,718.82	76,683.23
Changes in inventories of finished goods, work in process and stock in trade	32	(8,262.22)	13,922.96
Power and Fuel		1,02,583.69	1,09,450.51
Employee benefits expense	33	80,287.88	83,637.24
Finance costs	34	1,008.61	1,119.34
Depreciation and amortization expense		19,157.47	18,302.06
Other expenses	35	94,997.06	85,163.26
Total Expenses		9,00,148.29	8,64,391.32
III Profit before tax		74,017.77	66,437.57
IV Tax expense			
Current tax	23	11,595.63	15,165.53
Deferred tax	23	5,761.34	(227.92)
Tax related to earlier years	23	(657.63)	(932.33)
V Profit for the year		57,318.43	52,432.29
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		(6,255.40)	(30,115.20)
Income tax effect on above		1,574.36	7,579.40
Net fair value (loss) / gain on investments in equity instruments at FVTOCI		(1,00,199.37)	79,840.50
Income tax effect on above		2,893.11	(5,150.34)
Net other comprehensive income that will not be reclassified to profit or loss		(1,01,987.30)	52,154.36
VII Total Comprehensive Income for the year (V+VI)		(44,668.87)	1,04,586.65
Earnings per equity share (face value of ₹ 2/- each)			
Basic and Diluted Earnings per equity share:	36	14.38	13.16
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)

S. K. Bajpai
SVP (Finance & Legal) & CFO

Tapan Ray
Director
(DIN-00728682)

Nidhi Pillai
Company Secretary

Gandhinagar
20th May, 2025

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2025

(₹ in lakhs)

Particulars	Year Ended 31 st March	
	2025	2024
A Cash Flow From Operating Activities :		
Profit Before Tax	74,017.77	66,437.57
Adjustments for :		
Depreciation and amortisation expense	19,157.47	18,302.06
Amortisation of lease hold land	297.53	297.53
Unrealised Foreign Exchange(Gain)/Loss	94.38	(141.53)
Provision for Assets Retiring Obligation	231.41	213.35
Finance cost	556.63	654.74
Interest income	(15,474.26)	(14,102.50)
Impairment Loss	2,268.47	-
Loss / (Profit) on fixed assets sold/written off	314.49	30.53
Dividend income	(9,681.77)	(14,716.10)
Excess Provision written Back	(1,654.80)	(4,909.83)
Provision for doubtful debts/advances	512.37	125.44
Operating Profit before Working Capital Changes	70,639.69	52,191.26
Movements in working capital:		
Inventories	(19,510.04)	(3,008.22)
Trade receivables, loans and advances and other assets	(3,032.28)	(78,785.80)
Trade payables, other current liabilities and provision	(32,712.62)	17,934.59
Cash Generated from Operations	15,384.75	(11,668.17)
Direct taxes paid (net of refunds)	(8,000.73)	(15,528.47)
Net Cash Flow from Operating Activities	7,384.02	(27,196.64)
B Cash Flow From Investing Activities :		
Purchase of property, plant & equipments (including CWIP & capital advances)	(37,143.50)	(24,004.89)
Purchase of non current investments	(5,940.00)	-
Sale of investments	-	12,267.32
Interest received	15,466.72	7,505.85
Dividend received	9,681.77	14,716.10
Net Cash Flow used in Investing Activities	(17,935.01)	10,484.38
C Cash Flow From Financing Activities		
Net increase/(decrease) in short term borrowings	(250.45)	250.45
Interest paid	(531.33)	(622.01)
Dividend paid	(15,886.55)	(39,765.40)
Lease Liability Payment	(142.30)	(141.73)
Lease Interest Paid	(25.30)	(32.73)
Net Cash Flow from/ (used in) Financing Activities	(16,835.93)	(40,311.42)
Net Increase/ (Decrease) in Cash & Cash Equivalents	(27,386.92)	(57,023.68)
Cash and Cash Equivalents as at the beginning of the year	51,233.33	1,08,257.02
Cash and Cash Equivalents as at end of the year (Refer Note-13)	23,846.41	51,233.33
Notes:		
Components of Cash and cash equivalents		
Cash on hand	2.92	4.69
Balances with banks		
In current accounts	2,890.60	2,632.85
Debit balance in Cash Credit Account	8,702.79	5,595.69
Deposit with original maturity of less than three months	9,750.10	43,000.10
Liquid Deposits with Financial Institutions	2,500.00	-
Total Cash and cash equivalents	23,846.41	51,233.33

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

(DIN-05351774)

S. K. Bajpai

SVP (Finance & Legal) & CFO

Tapan Ray

Director

(DIN-00728682)

Nidhi Pillai

Company Secretary

Gandhinagar
20th May, 2025

STATEMENT OF CHANGES IN EQUITY (SOCIE)

Note (a) : Equity share capital

(₹ in lakhs)

Particulars	Amount
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
Balance as at April 01, 2024	7,969.55
Changes in equity share capital due to prior period errors	-
Restated balance as at April 01, 2024	7,969.55
Changes in equity share capital during the year	-
Balance as at March 31, 2025	7,969.55

Note (b) : Other equity

(₹ in lakhs)

Particulars	Reserves & Surplus						Total Equity
	Capital Reserve	Security Premium	Capital Redemption Reserve	General Reserve	Retained Earnings	Items of OCI Equity Instruments Through OCI	
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 1 st 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
Balance as at April 01, 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
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated Balance as at 1 st April, 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
Profit for the year	-	-	-	-	57,318.43	-	57,318.43
Other comprehensive income for the year net of income tax	-	-	-	-	-	(97,306.26)	(97,306.26)
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	-	(4,681.04)	-	(4,681.04)
Total comprehensive income for the year	-	-	-	-	52,637.39	(97,306.26)	(44,668.87)
Dividends paid [Note 20]	-	-	-	-	(15,939.10)	-	(15,939.10)
Transfer to General reserve	-	-	-	37,000.00	(37,000.00)	-	-
Balance as at March 31, 2025	1,256.33	30,524.02	3,335.00	6,62,153.31	1,10,173.90	3,85,071.30	11,92,513.86

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)

S. K. Bajpai
SVP (Finance & Legal) & CFO

Tapan Ray
Director
(DIN-00728682)

Nidhi Pillai
Company Secretary

Gandhinagar
20th May, 2025

Notes to the Financial Statements

Notes to the financial statements for the year ended March 31, 2025

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 20, 2025.

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.

Notes to the Financial Statements

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

Notes to the Financial Statements

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 and Amortization 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

Notes to the Financial Statements

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.

Notes to the Financial Statements

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.

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, pertaining to the exempted PF Trusts, if any, between the return from the investments of the trusts and the interest rate notified by Government.

(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:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- 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,

Notes to the Financial Statements

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:

- The asset is held within a business model with the objective of collecting the contractual cash flows, and
- 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:

- Debt investments that do not qualify for measurement at amortised cost;
- Debt investments that do not qualify for measurement at fair value through other comprehensive income; and
- 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

The Company carries its investments in subsidiaries, associates and joint venture at cost less impairment loss (if any) 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.

Notes to the Financial Statements

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

Notes to the Financial Statements

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.

Notes to the Financial Statements

3.14 Provisions, Contingent liabilities, Contingent assets and Commitments:

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.

A contingent asset is a possible asset that arises from past events the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. Contingent assets are neither recognised nor disclosed in the company's financial statements.

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.

Notes to the Financial Statements

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, 2025 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

Notes to the Financial Statements

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 Ministry of Corporate Affairs had not made any amendments to Companies (Indian Accounting Standards) Rules 2015, for the reporting period which were effective from April 1, 2024.
- B. On 7 May 2025, MCA notified Companies (Indian Accounting Standards) Amendment Rules, 2025, effective from 1 April 2025, to further amend the Companies (Indian Accounting Standards) Rules, 2015. Amendments were made to Ind AS 21 (The Effects of Changes in Foreign Exchange Rates) The Company is not expecting any significant impact in the financial statements from these amendments. The quantitative impacts would be finalized based on a detailed assessment which has been initiated to identify the key impacts along with evaluation of appropriate transition options.

Notes to the Financial Statements

5. (i) Property, Plant and Equipment

(₹ in lakhs)

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01-Apr-24	Additions	Deductions/ Adjustments	As at 31-Mar-25	As at 01-Apr-24	Charge for the year	Deductions/ Adjustments	As at 31-Mar-25	Balance as at 31-Mar-25	Balance as at 31-Mar-24
Freehold land	4,051.03	1,517.70	-	5,568.73	-	-	-	-	5,568.73	4,051.03
Buildings	23,058.79	822.21	-	23,881.00	5,678.55	766.99	-	6,445.54	17,435.46	17,380.24
Bridge, culverts, bunders, etc.	0.18	-	-	0.18	0.16	-	-	0.16	0.02	0.02
Roads	528.73	174.74	-	703.47	215.57	47.82	-	263.39	440.08	313.16
Plant and machinery	3,15,545.29	10,848.10	1,560.55	3,24,832.84	99,467.97	15,708.47	1,139.95	1,14,036.49	2,10,796.35	2,16,077.32
Furniture and fittings	1,400.28	45.80	2.71	1,443.37	635.13	124.73	2.57	757.29	686.08	765.15
Motor Vehicles	215.98	40.66	63.48	193.16	71.28	35.31	60.31	46.28	146.88	144.70
Railway sidings	2,208.14	-	-	2,208.14	1,046.02	121.60	-	1,167.62	1,040.52	1,162.12
Office equipment	1,536.34	95.21	35.98	1,595.57	920.07	154.40	34.12	1,040.35	555.22	616.27
Computers and Data Processing units	1,342.65	25.74	11.14	1,357.25	729.62	170.77	10.59	889.80	467.45	613.03
Laboratory equipment	1,779.17	54.28	34.58	1,798.87	901.24	146.26	32.85	1,014.65	784.22	877.93
Electrical Installation and Equipment	15,678.71	1,238.42	2.40	16,914.73	7,603.76	1,503.28	2.28	9,104.76	7,809.97	8,074.95
Library books	16.96	-	-	16.96	13.23	0.36	-	13.59	3.37	3.73
TOTAL	3,67,362.25	14,862.86	1,710.84	3,80,514.27	1,17,282.60	18,779.99	1,282.67	1,34,779.92	2,45,734.34	2,50,079.65

Capital Work In Progress (CWIP) Movement Schedule

Particulars	31-Mar-25	31-Mar-24
Opening Balance	23,522.56	19,901.86
Add. : Additions During the Year	57,412.22	16,580.50
Less : Capitalisation During the Year	11,910.80	12,959.80
Less: Impairment during the Year	67.77	-
Closing Balance	68,956.21	23,522.56

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

5. (ii) Right of Use Assets

(₹ in lakhs)

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01-Apr-24	Additions	Deductions/ Adjustments	As at 31-Mar-25	As at 01-Apr-24	Charge for the year	Deductions/ Adjustments	As at 31-Mar-25	Balance as at 31-Mar-25	Balance as at 31-Mar-24
Leasehold Building	470.26	50.91	32.80	488.37	208.84	133.28	19.55	322.57	165.80	261.42
Leasehold land	4,317.96	-	-	4,317.96	560.88	137.29	-	698.17	3,619.79	3,757.08
TOTAL	4,788.22	50.91	32.80	4,806.33	769.72	270.57	19.55	1,020.74	3,785.59	4,018.50

Notes to the Financial Statements

(₹ 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

5. (iii) Capital Work In Progress Ageing Schedule

(₹ in lakhs)

Particulars	Amount as on 31.03.2025 in CWIP for the period of					Amount as on 31.03.2024 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	54,257.68	4,872.99	933.73	5,267.21	65,331.62	12,629.65	1,750.09	2,648.71	2,801.75	19,830.20
Projects temporarily suspended *	(67.77)	-	-	3,692.36	3,624.59	-	-	-	3,692.36	3,692.36
TOTAL	54,189.91	4,872.99	933.73	8,959.58	68,956.21	12,629.65	1,750.09	2,648.71	6,494.11	23,522.56

*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.

During the year, the company has recognised an impairment loss of ₹ 67.77 Lakhs for CWIP related to Polymer Unit.

6. Intangible assets

(₹ in lakhs)

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01-Apr-24	Additions	Deductions/ Adjustments	As at 31-Mar-25	As at 01-Apr-24	Charge for the year	Deductions/ Adjustments	As at 31-Mar-25	Balance as at 31-Mar-25	Balance as at 31-Mar-24
Computer software	1,541.45	292.99	9.74	1,824.70	1,285.40	106.91	5.75	1,386.56	438.14	256.05
TOTAL	1,541.45	292.99	9.74	1,824.70	1,285.40	106.91	5.75	1,386.56	438.14	256.05

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	173.89
TOTAL	1,405.25	136.20	-	1,541.45	1,231.37	54.03	-	1,285.40	256.05	173.89

Notes

- The Company has capitalised 20 MTPD HX Crystal Project ₹ 6632 lakhs during FY 2024-25.
- Asset acquisition includes R&D assets of ₹ 26.19 lakhs (previous year ₹ 59.07 lakhs).
- The Company has leased a portion of land to Bank of Baroda for bank premises at Fertilizernagar & Sikka. Further, the Company has let out its premises in Dashrath to Vadodara Gas Limited for which renewal lease agreement is finalised but government approval is under consideration.
- 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.
- 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.

Notes to the Financial Statements

7. Non-current investments

(₹ in lakhs)

Particulars	As at 31-03-2025	As at 31-03-2024
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 (Note- h)	3,618.80	1,418.10
	2,549.14	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
1,56,00,000 shares of Vadodara Jal Sanchay Private Limited - ₹ 10 each (1,44,00,000 shares subscribed through right issue during the year) (Note-d)	1,560.00	120.00
12,00,000 shares of Gujarat Port and Logistics Company Limited - ₹ 10 each	120.00	120.00
	3,680.00	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	72,292.50	74,770.42
12,26,31,575 Shares of Gujarat Chemical Port Limited - Re. 1 each (Formerly Gujarat Chemical Port Terminal Company Limited)	21,583.16	21,092.63
1 Share of Gujarat State Electricity Corporation Ltd – ₹ 10 each	-	-
2,35,00,000 Shares of Gujarat State Petroleum Corporation Limited – Re. 1 each	4,136.00	4,117.20
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	205.20	168.87
50,000 Shares of Biotech Consortium India Limited – ₹ 10 each	21.00	20.76
1,15,000 Shares of Gujarat Data Electronics Limited - ₹ 10 each	-	-
	98,237.86	1,00,169.88
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	1,44,893.94	1,82,441.74
2,43,45,162 Shares of Gujarat Industries Power Company Ltd. - ₹ 10 each (19,82,378 shares subscribed during the year) (Note-e)	43,921.11	36,462.52
16,55,040 Shares of Gujarat Alkalies & Chemicals Ltd. - ₹ 10 each	9,585.99	11,145.87
4,69,14,475 Shares of Gujarat Gas Ltd. - ₹ 2 each	1,93,451.84	2,55,332.03
9,35,600 Shares of Gujarat State Financial Corporation - ₹ 10 each	-	-
11,36,000 Shares of Bandhan Bank Limited - ₹ 10 each	1,661.74	2,044.80
5,49,440 Shares of Industrial Development Bank of India - ₹ 10 each	426.91	445.05
5,79,000 Shares of Mangalore Chemicals & Fertilizers Ltd. - ₹ 10 each	901.27	586.82
	3,94,842.80	4,88,458.83
Total FVTOCI Investments	4,93,080.66	5,88,628.71
Investments at fair value through profit and loss (FVTPL)		
Investments at FVTPL - Quoted - (Note-f)		
Debentures	-	-
Other investment	-	-
	-	-
Other equity investments		
Tunisian Indian Fertilizers (TIFERT) (Note - g)	-	-
TOTAL INVESTMENTS	4,99,309.80	5,95,618.55
Aggregate book value of Quoted Investments	3,94,842.80	4,88,458.83
Aggregate market value of Quoted Investments	3,94,842.80	4,88,458.83
Aggregate carrying value of Unquoted Investments	1,04,467.00	1,07,159.72
Category-wise other investments-as per Ind AS 109 classification		
Particulars	31-03-2025	31-03-2024
Financial assets carried at fair value through profit or loss (FVTPL)	-	-
Financial assets carried at cost	6,229.14	6,989.84
Financial assets measured at FVTOCI	4,93,080.66	5,88,628.71
TOTAL INVESTMENTS	4,99,309.80	5,95,618.55

Notes to the Financial Statements

Notes:

* Less than a Thousand

- There is no change in the no of shares compare to previous year, except where specifically mentioned above under each case.
- 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.
- 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.
- During the year, the company has subscribed 1,44,00,000 equity shares of Face value of ₹ 10 each at par on the right basis (60% of total right issue) from Vadodara Jal Sanchay Private Limited. (₹ NIL during FY 2023-24).
- During the year, the company has made equity contribution in Gujarat Industries Power Company Ltd. of 19,82,378 equity shares of Face value of ₹ 10 each. (₹ NIL during FY 2023-24).
- Represents the various defaulted securities having net face value of ₹ 1912.81 Lakhs received in demat, against the losses make good by the company to GSFC's EPFTs as per EPFO guideline. (₹ NIL during FY 2023-24).
- 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 5 years in total (Maturing in July, 2025) under three different amendment agreements by Sponsors on request of TIFERT. 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 2025 & 31st March 2024.
- Impairment Loss of ₹ 2200.70 Lakhs has been recognised in the carrying value of investment in Karnalyte Resources Inc. during FY 2024-25 (₹ NIL during FY 2023-24) under the head "Other Expenses (Note No 35)" in Profit and Loss Account, taking into consideration consistent operating losses booked by the company and its low market capitalisation. As share valuation has been carried out considering the Net Asset Value method, Investment is categorised at Level 3 of the fair value hierarchy.

8. Other non-current financial assets

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Other deposits	8,594.44	8,530.43
Margin Deposits	102.00	-
Deposits with companies & others	102.70	102.70
Less: Allowance for doubtful deposits	(102.70)	(102.70)
TOTAL	8,696.44	8,530.43

9. Other non current assets

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Capital Advances*	32,001.03	40,257.50
Others	38.21	38.21
TOTAL	32,039.24	40,295.71

*Capital advance as on 31st March, 2025 includes ₹ 27,075.44 lakhs (₹ 27,372.98 lakhs as at 31st March, 2024) advance for leasehold land pending execution of lease deed towards plot in Dahej.

Notes to the Financial Statements

10. Inventories

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Raw materials	57,476.23	21,792.89
Raw materials in Transit	80.06	25,104.61
Work-in-Process	2,649.05	3,023.22
Finished goods	39,046.52	40,175.20
Stock in trade	2,496.17	687.22
Stock in trade-in Transit	13,275.38	5,319.25
Stores and spares (including packing material)	25,060.39	24,471.37
TOTAL	1,40,083.80	1,20,573.76

11. Trade Receivables

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Secured, considered good	891.88	834.84
Unsecured, considered good	54,177.32	49,509.92
Less: Allowance for expected credit loss	(109.80)	(146.27)
Unsecured, considered good	54,067.52	49,363.65
Unsecured, credit impaired	6,576.69	6,487.45
Less: Allowance for doubtful debts	(6,576.69)	(6,487.45)
Unsecured, credit impaired	-	-
Total Trade Receivables	54,959.40	50,198.49

- 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.
- 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.
- The concentration of credit risk is limited due to the fact that the customer base is large and unrelated. There is no customer constituting more than 10% balance of the total trade receivables as of the Balance Sheet date. Refer note 41 for the credit risk management by the Company.
- The above balances include trade receivables from related parties ₹ 3882.6 Lakhs (₹ 4767.65 Lakhs as on 31 March 2024) Refer note 39.

Notes to the Financial Statements

(v) Trade receivable ageing schedule:

Particulars	Outstanding as on 31 st March 2025 for following periods from due date of payment							Outstanding as on 31 st March 2024 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	53,629.84	1,214.02	25.60	17.59	0.00	72.35	54,959.40	47,277.05	2,817.45	17.79	17.85	-	68.35	50,198.49
Undisputed trade receivable- Significant increase in credit risk	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Undisputed Trade Receivable- Credit Impaired	16.14	3.79	0.62	54.41	8.22	26.61	109.80	14.96	12.51	2.16	10.54	12.09	94.01	146.27
Disputed Trade Receivable- Considered good	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable- Significant increase in credit risk	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disputed Trade Receivable-Credit Impaired	-	-	-	69.74	-	6,506.95	6,576.69	-	24.21	17.63	-	6.82	6,438.78	6,487.44
	53,645.98	1,217.81	26.22	141.74	8.22	6,605.91	61,645.89	47,292.01	2,854.17	37.58	28.39	18.91	6,601.14	56,832.20
Less: Credit Impaired (Allowance for Doubtful Debt)	16.14	3.79	0.62	124.15	8.22	6,533.56	6,686.49	14.96	36.72	19.79	10.54	18.91	6,532.79	6,633.71
Total Receivables	53,629.84	1,214.02	25.60	17.59	0.00	72.35	54,959.40	47,277.05	2,817.45	17.79	17.85	-	68.35	50,198.49

Notes to the Financial Statements

12. Government subsidies receivable

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Subsidy from Government of India under New Urea Policy/Nutrient Based Subsidy Scheme		
Subsidy Receivable from Government	1,11,325.35	1,11,089.09
Less: Allowance for doubtful debts	-	458.29
TOTAL	1,11,325.35	1,10,630.80

13. Cash and cash equivalents

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Cash and cash equivalents		
Cash on hand	2.92	4.69
Balances with banks		
In current accounts	2,890.60	2,632.85
Debit balance in Cash Credit Account	8,702.79	5,595.69
Deposit with original maturity of less than three months	9,750.10	43,000.10
Liquid Deposits with Financial Institutions	2,500.00	-
TOTAL	23,846.41	51,233.33

14. Other bank balances

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
In Unclaimed dividend account-restricted	586.09	533.54
In Margin Deposit	126.57	223.70
In Deposit accounts (original maturity more than three months)	1,61,205.01	1,76,005.01
TOTAL	1,61,917.67	1,76,762.25

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 2016 – 2017 to IEPF upto March 31, 2025.

Notes to the Financial Statements

15. Loans

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Secured, considered good		
Loans to employees*	27,840.14	25,335.95
Unsecured, considered good		
Advances to employees	24.87	26.44
Other loans to employees	490.49	524.57
TOTAL	28,355.50	25,886.96

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 31 st March 2025	As at 31 st March 2024
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	7,510.29	7,654.08
Others	306.42	350.48
TOTAL	7,816.71	8,048.04

17. Other Current Assets

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Unsecured, considered good		
Balances with govt. agencies	15,416.03	3,852.54
Advances to suppliers*	10,745.23	11,759.26
Prepaid expenses	439.36	269.53
Prepayment for Lease hold lands	297.53	297.53
TOTAL	26,898.15	16,178.86

* includes advances to related parties ₹ 5040.9 lakhs (₹ 8268.99 lakhs as at 31st March, 2024). (Refer note no 39.)

18. Assets held for sale

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Assets classified as held for sale	-	-
TOTAL	-	-

Notes to the Financial Statements

19. Share Capital

(₹ in lakhs)

Particulars	As at 31 st March 2025		As at 31 st March 2024	
	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 31 st March 2025		As at 31 st March 2024	
	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 31 st March 2025		As at 31 st March 2024	
	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

Notes to the Financial Statements

- 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 Promoters holding Shares in the company

Particulars	As at 31 st March 2025		As at 31 st March 2024		% 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 31 st March 2024		As at 31 st 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	-

20. Other equity

(₹ in lakhs)

Particulars	Reserves & Surplus					Items of OCI Equity Instruments through OCI	Total Equity
	Capital reserve	Security premium	Capital redemption reserve	General reserve	Retained earnings		
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 1 st 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	-	-	-	-	(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
Balance as at April 01, 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
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated Balance as at 1 st April, 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
Profit for the year	-	-	-	-	57,318.43	-	57,318.43
Other comprehensive income for the year net of income tax	-	-	-	-	-	(97,306.26)	(97,306.26)
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	-	(4,681.04)	-	(4,681.04)
Total comprehensive income for the year	-	-	-	-	52,637.39	(97,306.26)	(44,668.87)
Dividends paid	-	-	-	-	(15,939.10)	-	(15,939.10)
Transfer to General reserve	-	-	-	37,000.00	(37,000.00)	-	-
Balance as at March 31, 2025	1,256.33	30,524.02	3,335.00	6,62,153.31	1,10,173.90	3,85,071.30	11,92,513.86

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 2024: ₹ 4.00 per share (31 March 2023: ₹ 10.00 per share)	15,939.10
Total cash dividends declared and paid	15,939.10
Proposed dividends on Equity shares:	
Final dividend for the year ended on 31 March 2025: ₹ 5.00 per share (31 March 2024: ₹ 4.00 per share)	19,923.88
Total Proposed dividends	19,923.88
Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability	

Notes to the Financial Statements

- 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.
- 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.
- 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.
- General Reserve:** General Reserve represents a reserve other than capital reserve which is not earmarked for a specific purpose.
- Retained Earnings:** Retained Earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.
- 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 31 st March 2025	As at 31 st March 2024
Provision for employee benefits		
Provision for Gratuity (Refer Note 37)	4,114.06	7,383.82
Provision for Pension (Refer Note 37)	2,912.25	12,642.45
Provision for Compensated absences	28,142.70	26,569.54
Provision for Post Retirement Medical Benefit Scheme (PRMBS) (Refer Note 37)	4,962.88	4,923.14
Provision for Asset Retirement Obligation	3,022.98	2,791.57
Other Provisions	2,504.26	2,504.26
TOTAL	45,659.13	56,814.78

Movement in provision for Asset Retirement Obligation:

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Balance at Beginning of Year	2,791.57	2,578.23
Additional provision recognised	231.41	213.34
Provision Utilized	-	-
Balance at Closing of Year	3,022.98	2,791.57

22. Financial Liabilities- borrowings

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
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:

- Cash credit accounts carry interest rates ranging from 8.35% to 9.30% p.a.
- Working capital demand loan carries interest rate ranging from 8.15% to 9.30% p.a.
- 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.

Notes to the Financial Statements

23.

A. Income tax asset (net)

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Advance payment of Income Tax (net)	5,366.92	6,130.41

B. Current tax liabilities (net)

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Provision for Income Tax (net)	3,129.38	955.60

C. Tax Expense

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
(a) Statement of Profit & loss		
Profit & loss section		
Current income tax charge (net of MAT credit entitlement)	11,595.63	15,165.53
Deferred tax relating to origination & reversal of temporary differences	5,761.34	(227.92)
Tax related to earlier years	(657.63)	(932.33)
Income tax expense reported in the statement of profit or loss	16,699.34	14,005.28
(b) Other comprehensive income section		
Unrealised (gain)/loss on FVTOCI equity securities	(2,893.11)	5,150.34
Net loss/(gain) on remeasurements of defined benefit plans	(1,574.36)	(7,579.40)
Income tax charged to OCI	(4,467.47)	(2,429.06)
(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	74,017.77	66,437.57
Statutory income tax rate	25.168%	25.168%
Tax at statutory income tax rate	18,628.79	16,721.01
Tax effects of :		
Income not subject to tax	(260.53)	(61.19)
Inadmissible expenses or expenses treated separately	10,019.25	11,025.15
Admissible deductions	(14,355.18)	(8,815.69)
Deduction Under chapter - VI	(2,436.71)	(3,703.75)
Deferred tax on other items	5,761.33	(227.93)
Total Tax effects	(1,271.82)	(1,783.40)
Income tax expense	17,356.97	14,937.61
Earlier year tax	(657.63)	(932.33)
Income tax expense reported in statement of Profit & loss	16,699.34	14,005.28

Notes to the Financial Statements

D. Deferred tax relates to the following:

(₹ in lakhs)

	Balance sheet		Profit & loss	
	31-Mar-25	31-Mar-24	2024-25	2023-24
Property, plant and equipment	(36,778.83)	(37,797.07)	(1,018.24)	(1,129.22)
Expenses allowable for tax purpose when paid	14,127.59	18,550.41	4,422.82	(8,280.05)
Investments in Equity instruments	(25,584.44)	(28,477.55)	(2,893.11)	5,150.35
Fair valuation of deposits	0.21	0.21	(0.00)	-
Provision for PF Contribution	0.00	327.81	327.81	651.00
Allowance for doubtful debts	1,875.81	2,352.85	477.04	969.62
ARO provision-Windmill	526.48	472.98	(53.50)	(49.53)
ARO provision-Solar	21.03	16.29	(4.74)	(4.16)
Leasehold Building IND AS	(171.55)	(142.10)	29.45	27.43
ICDS Impact	38.32	44.68	6.36	7.58
Deferred tax expense/(income)			1,293.86	(2,656.98)
Net deferred tax assets/(liabilities)	(45,945.36)	(44,651.49)		
Reconciliation of deferred tax liabilities (net):				
Opening Balance as at	31-Mar-24	31-Mar-23		
	(44,651.49)	(47,308.47)		
Tax income/(expense) during the period recognised in P&L	(5,761.34)	227.92		
Tax income / (Expense) MAT credit recognised in P&L/Utilised	-	-		
Tax income/(expense) during the period recognised in OCI	4,467.47	2,429.06		
Closing balance as at	(45,945.36)	(44,651.49)		
	31-Mar-25	31-Mar-24		

Notes:

- 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.

Notes to the Financial Statements

24. Lease Liabilities

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Current	109.23	108.30
Non Current	67.21	152.12
TOTAL LEASE LIABILITIES	176.44	260.42

The Maturity Analysis and Movement of 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 31 st March 2025	As at 31 st March 2024
Depreciation expenses of right-of-use assets	270.57	267.31
Interest expenses on lease liabilities	25.30	32.73
TOTAL AMOUNT RECOGNISED IN PROFIT & LOSS	295.87	300.04

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 31 st March 2025	As at 31 st March 2024
Due to Micro and Small Enterprises *	3,333.98	1,762.34
Others**	61,864.77	73,402.76
TOTAL	65,198.75	75,165.10

(2) Trade Payables ageing schedule:

Particulars	Outstanding as on 31 st March 2025 for following periods from due date of payment						Outstanding as on 31 st March 2024 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	1,483.53	1,418.16	416.91	11.87	1.59	1.91	3,333.98	753.27	25.37	983.70	-	-	-	1,762.34
Others	17,480.71	39,039.04	2,447.39	425.03	1,939.56	508.01	61,839.74	33,212.15	30,086.05	7,806.11	2,273.42	-	-	73,377.73
Disputed dues – Micro and Small Enterprises	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	25.03	25.03	-	-	-	-	-	25.03	25.03
Total Trade Payables	18,964.25	40,457.20	2,864.31	436.90	1,941.15	534.95	65,198.75	33,965.42	30,111.42	8,789.81	2,273.42	-	25.03	75,165.10

* 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. Refer Note 46 (xi) for details.

** The above balances include trade payables to related parties ₹ 961.06 Lakhs (₹ 2207.58 Lakhs as on 31 March 2024) Refer Note 39.

Notes to the Financial Statements

26. Other current financial liabilities

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Financial liabilities at fair value through profit & loss		
Derivatives not designated in hedging relationship		
Foreign exchange derivative contracts	197.84	-
Other financial liabilities at amortised cost		
Unclaimed dividend*	586.09	533.54
Deposits received	5,528.96	5,720.23
Liability towards employee benefits	7,327.42	8,954.38
Creditors for capital goods**	28,247.36	13,070.08
Other payables	1,019.47	915.72
TOTAL	42,907.14	29,193.95

* These figures do not include any amounts due and outstanding to be credited to Investor Education and Protection Fund.

** Includes dues to Micro and Small Enterprises ₹ 97.92 Lakhs (₹ 571.97 Lakhs as on 31.04.2024), refer Note 46 (xi) for details.

27. Other current liabilities

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Advances from customers	1,621.56	1,451.51
Statutory dues	2,371.97	2,261.84
Income received in advance	7.10	6.38
Others #	895.98	1,536.45
TOTAL	4,896.61	5,256.18

Includes ₹ 738.19 Lakhs (₹ 578.41 Lakhs as at 31st March, 2024) towards unspent CSR Amount. (Refer note no. 43 Corporate Social Responsibility)

28. Provisions

(₹ in lakhs)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Provision for employee benefits		
Provision for Gratuity (Refer note 37)	2,887.37	2,884.67
Provision for Pension (Refer note 37)	2,803.20	4,073.99
Provision for Compensated absences*	5,137.09	5,767.09
Provision for PRMBS (Refer note 37)	305.79	296.77
Other Provision**	-	1,302.48
TOTAL	11,133.45	14,325.00

* 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.

** The company has surrendered its exemption status of two trusts i.e. BU & PU PF Trust to EPFO w.e.f. 01/09/2024, out of total four exempted PF Trusts. As a matter of prudence, the company had made a provision in view of uncertainties regarding recoverability of defaulted investments held by PF Trusts. The company has made good the losses towards all defaulted securities as per EPFO guideline, accordingly, the provision against the same is no longer required.

Notes to the Financial Statements

29. Revenue from operations

(₹ in lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Revenue from sale of products (including subsidy on fertilizers)		
- Manufactured / Generated products	8,38,899.17	8,06,743.19
- Traded products	1,03,368.71	85,758.19
- Other Operating Revenue	603.45	710.17
TOTAL	9,42,871.33	8,93,211.55
Revenue from operation above includes:-		
Subsidy from Government of India under New Urea Policy/Nutrient Based Subsidy Scheme		
Pertaining to current year	3,72,802.48	3,69,492.27
Pertaining to earlier years determined during current year	1,027.54	(16,153.73)
TOTAL	3,73,830.02	3,53,338.54

30. Other income

(₹ in lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Interest		
Deposits:	15,322.93	14,102.50
Advances:	1,199.95	1,122.83
Others:	246.77	338.30
Dividend from long term investments	9,681.77	14,716.10
Rent	241.94	353.85
Insurance claims	477.99	279.68
Excess provision no longer required	1,654.80	5,263.57
Scrap sales	1,474.73	765.97
Profit on sale of fixed assets	80.87	17.52
Miscellaneous income	912.98	657.02
TOTAL	31,294.73	37,617.34

31. Cost of material consumed

(₹ in lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Raw Materials		
Opening stock	46,897.50	29,476.01
Add: Purchases	5,10,315.77	4,93,534.21
Less: Closing stock	57,556.29	46,897.50
TOTAL	4,99,656.98	4,76,112.72

Notes to the Financial Statements

32. Changes in inventory of finished goods, work in process and stock in trade

(₹ in lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Opening 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
	49,204.89	63,127.85
Less: Closing stock		
Finished products	39,046.52	40,175.20
Stock in trade	15,771.55	6,006.47
Work-in-process	2,649.05	3,023.22
	57,467.12	49,204.89
(Increase) / Decrease	(8,262.22)	13,922.96

33. Employee benefit expenses

(₹ in lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Salaries, wages, bonus	60,055.42	68,049.16
Contribution to provident, gratuity and superannuation (pension) funds (including provisions)	10,369.39	7,224.82
Staff Welfare expenses	9,863.07	8,363.26
TOTAL	80,287.88	83,637.24

- Employee benefit expenses includes R&D salary expenses of ₹ 1216.19 lakhs (previous year ₹ 1243.29 lakhs) (Refer note no. 42) and also include remuneration to KMP amounting to ₹ 180.80 lakhs (previous year ₹ 172.60 lakhs) (Refer note no. 39).

34. Finance costs

(₹ in lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Interest		
- borrowings	357.24	114.53
- others	430.80	753.56
Other borrowing cost	220.57	251.25
TOTAL	1,008.61	1,119.34

Notes to the Financial Statements

35. Other expenses

(₹ in lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Consumption of stores and spare parts	13,770.98	17,161.16
Water	3,745.68	3,516.74
Packing expenses	11,398.75	9,370.69
Repairs to buildings	210.10	553.39
Repairs to machinery	11,031.70	9,457.65
Other repairs	1,334.73	742.85
Insurance	1,343.80	1,761.49
Rent, rates and taxes	249.56	194.54
Product transportation, distribution & loading & unloading charges	37,393.32	28,309.44
Depots and farm information centers expense	1,335.54	2,736.86
Marketing expense reimbursement, demonstration, extension services and publicity etc.	802.89	1,330.05
Foreign exchange gain/loss (net)	1,367.12	194.40
Directors fees	14.53	13.83
Legal & Professional charges	741.43	747.17
Auditors' remuneration *	13.77	13.54
Cost auditors' fees	4.66	4.65
Loss on fixed assets sold/discarded	395.36	48.05
Allowance for doubtful debts	512.37	125.44
Amortisation of leasehold land	297.53	297.53
Donations and contributions	1,705.50	3,717.53
Miscellaneous	5,059.27	4,866.26
Impairment loss	2,268.47	-
TOTAL	94,997.06	85,163.26

Other expenses includes R&D expenses of ₹ 41.76 lakhs (previous year ₹ 30.99 lakhs) in respective heads (Refer note no. 42)

*Auditors' remuneration

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Payment to Statutory Auditors:		
For Statutory audit	2.25	2.25
For Taxation matters	1.50	1.50
For other services (including Limited Review fees & certification)	9.18	8.94
For Reimbursement of expenses	0.84	0.85
	13.77	13.54

Notes to the Financial Statements

36. Earnings per share (EPS):

(₹ in lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
i. Profit attributable to Equity holders of the Company		
Profit attributable to equity holders of the Company		
Continuing operations	57,318.43	52,432.29
Discontinued operations	-	-
Profit attributable to equity holders of the Company for basic earnings	57,318.43	52,432.29
Effect of dilution	-	-
Profit attributable to equity holders of the Company adjusted for the effect of dilution	57,318.43	52,432.29
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 (₹)	14.38	13.16
Diluted EPS (₹)	14.38	13.16
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:

Expenses towards Defined Contribution Plans have been recognised under Note 33 under line item "Contributions to Provident, Gratuity and Superannuation Fund (pension) Funds (including provisions)". They amounted to ₹ 5653.27 lakhs for FY 2024-25 (₹ 4722.44 lakhs for FY 2023-24).

Provident Fund contributions are made to the Employees' Provident Fund Organization (EPFO) for the Baroda Unit and Polymer Unit from 01/09/2024 as the Provident Fund trusts associated with these two units were surrendered with effect from 01/09/2024. Provident Fund contributions are made to remaining two trusts for Sikka Unit & Fibre Unit which are 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.

Notes to the Financial Statements

37. Employment benefit plans (Contd...)

c) Defined Benefit plans:

Separate trust funds manage the Gratuity and Pension plans. The expenses towards defined benefit plans are disclosed in Note No. 33 - "Employee Benefit Expenses" as under :

- # Pension & Gratuity are disclosed in line item - "Contribution to Provident Fund, and provision to Gratuity, Superannuation (Pension) Funds"
- # PRMBS is disclosed in line item - " Staff Welfare expenses"

I) Details of funded & unfunded plans are as follows:

(₹ in lakhs)

Description	Pension		Gratuity		PRMBS	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
1. Changes In Present Value of obligation						
a. Obligation as at the beginning of the year	81,339.91	69,588.75	43,329.16	36,387.44	5,219.91	5,121.56
b. Current Service Cost	967.86	784.62	1,911.39	1,583.40	175.92	188.84
c. Interest Cost	5,889.01	5,219.16	3,132.70	2,729.06	377.92	385.66
d. Actuarial (Gain)/Loss	4,229.57	19,564.71	2,262.45	9,837.31	242.20	212.47
e. Benefits Paid	(13,634.17)	(13,817.33)	(7,156.01)	(7,208.05)	(747.25)	(688.62)
f. Obligation as at the end of the year	78,792.17	81,339.91	43,479.70	43,329.16	5,268.69	5,219.91
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	64,623.47	70,384.11	33,060.67	34,855.60	—	—
b. Interest Income	4,678.74	5,278.81	2,390.29	2,614.18	—	—
c. Return on Plan Assets, Excluding Interest Income	480.31	(308.10)	(1.49)	(192.61)	—	—
d. Contributions	16,928.42	3,085.98	8,184.82	2,991.52	—	—
e. Benefits Paid	(13,634.17)	(13,817.33)	(7,156.01)	(7,208.02)	—	—
f. Fair Value of Plan Assets as at the end of the year	73,076.75	64,623.47	36,478.28	33,060.67	—	—
3. Amount Recognised In The Balance Sheet						
a. Fair Value of Plan Assets as at the end of the year	73,076.75	64,623.47	36,478.28	33,060.67	—	—
b. Present Value of Obligation as at the end of the year	(78,792.17)	(81,339.91)	(43,479.70)	(43,329.16)	(5,268.69)	(5,219.91)
c. Amount recognised in the Balance Sheet	(5,715.42)	(16,716.44)	(7,001.42)	(10,268.49)	(5,268.69)	(5,219.91)
4. Expense recognised in P & L during the year						
a. Current Service Cost	967.86	784.62	1,911.39	1,583.40	175.92	188.84
b. Net Interest Cost	1,210.27	(59.65)	742.41	114.88	377.92	385.66
c. Expense recognised during the year	2,178.13	724.97	2,653.81	1,698.28	553.84	574.50
5. Expense recognised in OCI during the year						
a. Return on Plan Assets, Excluding Interest Income	(480.31)	308.10	1.49	192.61	—	—
b. Actuarial (Gain)/Loss recognised on Obligation	4,229.57	19,564.71	2,262.45	9,837.31	242.20	212.47
c. Net (Income)/Expense recognised during the year	3,749.26	19,872.81	2,263.94	10,029.92	242.20	212.47
6. Investment Details of Plan Assets						
Administered by LIC of India	100%	100%	100%	100%	NA	NA
7. Weighted Average Duration of the Defined Benefit Obligation (In Years)	5.66	5.62	7.34	6.49	13.00	13.00

Notes to the Financial Statements

37. Employment benefit plans (Contd...)

II) The principal assumptions used in determining above defined benefit obligations are shown below:

Description	Pension		Gratuity		PRMBS	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
a. Discount Rate (per annum)	7.05%	7.24%	6.79%	7.23%	7.05%	7.24%
b. Estimated Rate of return on Plan Assets (per annum)	7.05%	7.24%	6.79%	7.23%	NA	NA
c. Medical Cost Inflation (per annum)	NA	NA	NA	NA	4.00%	4.00%
d. Rate of Employee Turnover	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
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 2012-14 (Urban).						

III) Maturity Profile

Projected benefit payable in future year from the date of reporting	Pension		Gratuity		PRMBS	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
1 st Following year	11,988.72	13,071.11	6,558.43	7,064.01	305.78	296.77
2 nd Following year	8,101.90	7,201.10	4,014.64	3,659.21	318.50	310.19
3 rd Following year	9,910.08	11,716.50	4,875.79	5,628.92	327.59	323.69
4 th Following year	12,888.84	9,494.33	6,118.14	4,634.65	339.98	333.92
5 th Following year	12,588.90	11,833.26	5,985.37	5,625.67	352.19	347.18
Sum of year 6 to 10	32,802.57	40,436.92	16,339.72	19,593.15	1,869.46	1,890.67
Sum of year 11 and above	26,225.71	26,776.31	28,778.16	27,560.75	-	-

IV) A quantitative sensitivity analysis for significant assumption is as shown below:

(₹ in lakhs)

	2024-25		
	Pension	Gratuity	PRMBS
e) Effect of one percentage point change in the assumed Discount Rate			
a. One percentage point increase in Discount Rate	(3,252.01)	(5,156.54)	(528.41)
b. One percentage point decrease in Discount Rate	3,575.62	2,635.09	649.01
Effect of one percentage point change in the assumed Salary Escalation Rate			
a. One percentage point increase in Salary Escalation Rate	3,577.37	2,324.82	NA
b. One percentage point decrease in Salary Escalation Rate	(3,312.56)	(2,218.86)	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	663.13
b. One percentage point decrease in medical inflation rate	NA	NA	(547.15)

Notes to the Financial Statements

37. Employment benefit plans (Contd...)

V) Details of funded & unfunded plans are as follows:

(₹ in lakhs)

Pension	2024-25	2023-24	2022-23	2021-22	2020-21
Net Asset/(Liability) recognised in Balance Sheet (including experience adjustment impact)					
1 Present Value of Defined Benefit Obligation	78,792.17	81,339.91	69,588.75	75,314.86	78,081.62
2 Fair Value of Plan Assets	73,076.75	64,623.47	70,384.11	65,815.54	48,748.23
3 Status [Surplus/(Deficit)]	(5,715.42)	(16,716.44)	795.36	(9,499.32)	(29,333.39)
4 Experience Adjustment of Plan Assets [Gain/(Loss)]	480.31	(308.10)	389.74	472.14	139.31
5 Experience/Assumptions Adjustment of obligation [(Gain)/Loss]	4,229.57	19,564.71	(2,071.65)	(71.50)	1,423.18
Gratuity	2024-25	2023-24	2022-23	2021-22	2020-21
Net Asset/(Liability) recognised in Balance Sheet (including experience adjustment impact)					
1 Present Value of Defined Benefit Obligation	43,479.70	43,329.16	36,387.44	38,225.82	39,557.57
2 Fair Value of Plan Assets	36,478.28	33,060.67	34,855.60	31,665.39	26,069.19
3 Status [Surplus/(Deficit)]	(7,001.42)	(10,268.49)	(1,531.84)	(6,560.43)	(13,488.38)
4 Experience Adjustment of Plan Assets [Gain/(Loss)]	(1.49)	(192.61)	(34.59)	102.27	324.74
5 Experience/Assumptions Adjustment of obligation [(Gain)/Loss]	2,262.45	9,837.31	(1,138.62)	(1,282.48)	(545.82)
PRMBS	2024-25	2023-24	2022-23	2021-22	2020-21
Net Asset/(Liability) recognised in Balance Sheet (including experience adjustment impact)					
1 Present Value of Defined Benefit Obligation	5,268.69	5,219.91	5,121.56	5,241.33	5,476.65
2 Fair Value of Plan Assets	-	-	-	-	-
3 Status [Surplus/(Deficit)]	(5,268.69)	(5,219.91)	(5,121.56)	(5,241.33)	(5,476.65)
4 Experience Adjustment of Plan Assets [Gain/(Loss)]	-	-	-	-	-
5 Experience/Assumptions Adjustment of obligation [(Gain)/Loss]	242.20	212.47	(49.17)	(117.76)	517.72

Notes to the Financial Statements

38. Commitments and contingencies

a. Commitments

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
(i) Estimated amount of contracts remaining to be executed on capital accounts and not provided for	24,683.72	66,876.38

b. Contingent liabilities

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Claims against the Company not acknowledged as debt		
(i) Excise and Customs duty	1,131.04	2,181.12
(ii) Central sales tax and value added tax	2,072.39	2,266.03
(iii) Income tax	932.06	19,334.61
(iv) Other	76,454.17	61,470.62
(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.

39. Related party transactions

(₹ in lakhs)

Name of the party (listed entity/ subsidiary)	Name of the Counterparty	Nature of Relationship	Nature of Transaction	2024-25	2023-24
GSFC LTD	GSFC Agrotech Limited	Subsidiary	Purchase of goods (Net of Credit note/return)	878.12	963.52
			Sale of materials/Goods	23,358.11	28233.21
			Income from Other Services	59.87	6.78
			Reimbursement of expenses	99.11	555.81
			Expenses Recovered	491.23	694.23
			Outstanding balance-Payable	(336.19)	197.04
			Outstanding balance-Receiveable	2,800.69	3592.55
			Dividend received/receivable	-	50.00
GSFC LTD	Vadodara Jal Sanchay Private Limited	Subsidiary	Equity Contribution	1,440.00	-
GSFC LTD	Vadodara Enviro Channel Ltd.	Associate	Usage of effluent channel	288.62	622.44
			Outstanding balance-Payable	23.24	23.65
GSFC LTD	Gujarat Green Revolution Company	Associate	Expenses Recovered	217.35	323.07
			Dividend received/receivable	12.50	12.50
			Outstanding balance-Receiveable	22.22	122.33
GSFC LTD	Karnalyte Resources Inc.	Associate	Expenses Recovered	41.83	46.69
			Provision for Investment	2,200.70	0.00
			Outstanding balance-Receiveable	7.63	7.75
GSFC LTD	Managing Director	Key Management Personnel	Remuneration	180.80	172.60
GSFC LTD	S K Bajpai (From 01.06.2024)/V D Nanavaty(upto 31.05.2024) – CFO		Interest Income	1.55	0.00
GSFC LTD	Nidhi Pillai - CS		Outstanding balance	34.04	0.00
GSFC LTD	Directors	Directors	Sitting Fees	14.53	13.82

Notes to the Financial Statements

39. Related party transactions (Contd...)

(₹ in lakhs)

GSFC LTD	Gujarat Alkalies and Chemicals Limited	Other Related Party	Purchase of Material	2,287.63	2320.97
			Expenses Recovered	33.80	22.55
			Dividend received/receivable	229.00	389.76
			Outstanding balance-Payable	134.19	143.96
			Outstanding balance-Receivable	17.30	6.69
GSFC LTD	Tunisian Indian Fertilizer Company (TIFERT)	Other Related Party	Purchase of Material	22,223.95	18096.42
			Advance to vendor	5,040.90	8268.99
			Provision for Investment	151.33	154.41
			Expenses Recovered	-	11.38
			Outstanding balance-Receivable	1,023.91	1,023.91
GSFC LTD	Gujarat State Petronet Ltd	Other Related Party	Fees for Services	222.16	816.01
			Outstanding balance-Payable	6.17	4.49
GSFC LTD	GSFC Education Society	Other Related Party	Donation Granted	401.00	880.50
GSFC LTD	Gujarat Gas Ltd	Other Related Party	Income from Other Services	30.09	70.77
			Dividend received/receivable	2,655.00	3119.81
			Outstanding balance-Payable	(11.59)	(2.63)
GSFC LTD	The Fertilizer Association of India	Other Related Party	Fees for Services	19.39	19.67
GSFC LTD	Gujarat Narmada Valley Fertilizers Company Limited	Other Related Party	Sale of Material	475.39	982.24
			Dividend received/receivable	4,816.00	9233.75
			Outstanding balance-Payable	(0.06)	(0.06)
			Outstanding balance-Receivable	10.85	14.42
GSFC LTD	Gujarat Industries Power Company Limited.	Other Related Party	Sale of Materials/Goods	-	3.24
			Dividend received/receivable	883.00	838.60
			Equity Participation	4,500.00	-
GSFC LTD	Gujarat State Petroleum Corporation Ltd.	Other Related Party	Purchase of Gas	36,314.95	36610.74
			Fees for Services	0.59	0.80
			Outstanding balance-Payable	1,136.59	1832.43
GSFC LTD	Indian Potash Ltd.	Other Related Party	Purchase of Material	556.78	7784.53
			Dividend received/receivable	169.00	157.50
			Outstanding balance-Payable	8.70	8.70
GSFC LTD	GSFC Science Foundation	Other Related Party	Expenses Recovered	0.51	0.00
GSFC LTD	Gujarat Chemical Port Limited	Other Related Party	Dividend received/receivable	883.00	882.94
GSFC LTD	Gsfc Employees PF Trust	Retiral Funds	Employer's contribution	1386.08	3584.29
	Fiber Unit Employees PF Trust			307.20	190.95
	Sikka Unit Employees PF Trust			300.44	207.15
	Polymer Unit Employees PF Trust			55.95	65.51
	Gsfc Employees Gratuity Fund Trust			7972.40	2738.24
	Fiber Unit Gratuity Fund Trust			148.28	167.00
	Sikka Unit Gratuity Fund Trust			153.38	163.90
	Polymer Unit Gratuity Fund Trust			50.08	65.34
	Gsfc Employees Pension Fund Trust			16193.48	2258.36
	Fiber Unit Employees Pension Fund Trust			242.62	277.68
	Sikka Unit Employees Pension Fund Trust			239.16	260.84
	Polymer Unit Staff Pension Fund Trust			62.88	92.36
GSFC Agrotech Limited	Gujarat Green Revolution Company	Associate Company of Holding Company	Sale of Services	360.88	416.79
			Outstanding balance-Receivables	332.90	321.79

Notes to the Financial Statements

39. Related party transactions (Contd...)

(₹ in lakhs)

GSFC Agrotech Limited	Gujarat Narmada Valley Fertilizers Company Limited	Related Party of Holding Company	Purchase of Materials	113.51	244.22
			Sale of Material	63.17	76.64
			Outstanding balance-Payables	(60.73)	(1.52)
			Outstanding balance-Receiveables	11.51	7.42
GSFC Agrotech Limited	Indian Potash Limited	Related Party of Holding Company	Purchase of Materials	2,077.01	2217.84
			Outstanding balance-Payables	(411.11)	(76.50)
GSFC Agrotech Limited	S K Mishra(upto 31.01.2024)/ M.P.Punwar(From 01.02.2024), CEO	Key Management Personnel	Remuneration	38.82	55.61
GSFC Agrotech Limited	D. D. Bhalgamiya, CFO				
GSFC Agrotech Limited	Purvi Dani, CS				
GSFC Agrotech Limited	GSFC Education Society	Other Related Party	Donation Granted	10.41	22.44
GSFC Agrotech Limited	GSFC Science Foundation	Other Related Party	Expenses Recovered	12.35	12.39
Vadodara Jal Sanchay Private Limited	Gujarat Alkalies and Chemicals Limited	Related Party of Holding Company	Equity	360.00	0.00
Vadodara Jal Sanchay Private Limited	Gujarat Industries Power Company Limited.	Related Party of Holding Company	Equity	360.00	0.00

- Please refer remuneration to Non-executive Directors under Managerial Remuneration point in Corporate Governance Report for Directors Sitting Fees.

Following are the list of Related Parties with whom the company has no transaction, except dividend during the year:

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	Gujarat Port & Logistic Company Limited	Subsidiary

Terms and conditions of transactions with related parties:

Transactions with key management personnel of the Company:

(₹ in lakhs)

Remuneration to key management personnel:	For the year ended	
	31-Mar-25	31-Mar-24
Short term employee benefits	155.69	144.44
Post employment benefits	13.26	15.86
Long-term employee benefits	11.85	12.31
TOTAL	180.80	172.60

Notes to the Financial Statements

40 Segment information

For management purposes, the company is organised into business units based on its products and has two reportable segments, as follows:

- Fertilizer products** comprising of Urea, Ammonium Sulphate, Di-ammonium Phosphate, Ammonium Phosphate Sulphate, NPK (12:32:16), (10:26:26), traded fertilizer products etc.
- 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-25	31-Mar-24
1	TOTAL SEGMENT REVENUE		
	a) Fertilizer Products	7,22,660.76	6,61,209.40
	b) Industrial Products	2,20,210.57	2,32,002.15
	TOTAL	9,42,871.33	8,93,211.55
2	INTER SEGMENT REVENUE	-	-
3	EXTERNAL REVENUE (1 - 2)		
	a) Fertilizer Products	7,22,660.76	6,61,209.40
	b) Industrial Products	2,20,210.57	2,32,002.15
	TOTAL	9,42,871.33	8,93,211.55
B]	RESULT:		
1	Segment result		
	a) Fertilizer Products	42,970.81	35,214.63
	b) Industrial Products	5,600.79	1,566.34
	TOTAL	48,571.60	36,780.97
2	a) Unallocated income	30,293.26	35,494.13
	b) Unallocated expenses	(3,838.48)	(4,718.19)
3	Operating Profit (B1 + B2)	75,026.38	67,556.91
4	Finance Cost	(1,008.61)	(1,119.34)
5	Provision for Taxation:		
	Current Income Tax	(11,595.63)	(15,165.53)
	Deferred Tax (net)	(5,761.34)	227.92
	Earlier Year Tax	657.63	932.33
6	Net Profit	57,318.43	52,432.29
C]	OTHER INFORMATION:	31-Mar-25	31-Mar-24
1	Segment assets		
	a) Fertilizer Products	4,03,400.39	3,79,664.65
	b) Industrial Products	1,98,765.09	1,97,362.62
	TOTAL	6,02,165.48	5,77,027.27
2	Unallocated corporate assets	8,17,364.19	9,10,937.08
3	Total Assets	14,19,529.67	14,87,964.35
4	Segment Liabilities		
	a) Fertilizer Products	1,00,964.95	1,19,650.39
	b) Industrial Products	47,073.77	49,888.21
	TOTAL	1,48,038.72	1,69,538.60

Notes to the Financial Statements

	31-Mar-25	31-Mar-24
5 Unallocated corporate liabilities	71,007.54	57,334.37
6 Total Liabilities	2,19,046.26	2,26,872.97
7 Capital Expenditure		
a) Fertilizer Products	31,624.31	10,160.14
b) Industrial Products	19,552.94	6,328.46
c) Corporate Capital Expenditure	9,463.16	2,486.87
TOTAL	60,640.41	18,975.47
8 Depreciation and Amortisation		
a) Fertilizer Products	9,949.84	9,333.83
b) Industrial Products	9,052.45	8,860.21
c) Unallocated corporate Depreciation	155.18	108.02
TOTAL	19,157.47	18,302.06
9 Non-Cash expenses		
a) Fertilizer Products	13,356.91	27,309.66
b) Industrial Products	6,146.90	18,841.19
c) Unallocated non-cash expenses	2,200.70	-
TOTAL	21,704.52	46,150.85

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 2024-25, P&K Fertilizers- Manufacturing Revenue and P&K Fertilizers-Imported Revenue is reported at ₹ 4947.36 Crores & ₹ 838.14 Crores respectively. The Segment Result is reported at ₹ 426.54 Crores for P&K Fertilizers-Manufacturing and at ₹ 10.76 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, 2025 is as follows. (₹ in lakhs)

Particulars	Carrying amount				Fair value			Total
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Financial assets								
Non-current investments	-	4,93,080.66	6,229.14	4,99,309.80	3,94,842.80	-	98,237.86	4,93,080.66
Other Non-current financial asset	-	-	8,696.44	8,696.44	-	-	-	-
Trade receivables	-	-	54,959.40	54,959.40	-	-	-	-
Government subsidy receivable	-	-	1,11,325.35	1,11,325.35	-	-	-	-
Cash and cash equivalents	-	-	23,846.41	23,846.41	-	-	-	-
Other bank balances	-	-	1,61,917.67	1,61,917.67	-	-	-	-
Current loans	-	-	28,355.50	28,355.50	-	-	-	-
Other Current financial asset	-	-	7,816.71	7,816.71	-	-	-	-
	-	4,93,080.66	4,03,146.62	8,96,227.28	3,94,842.80	-	98,237.86	4,93,080.66
Financial liabilities								
Current borrowings	-	-	-	-	-	-	-	-
Lease Liabilities	-	-	176.44	176.44	-	-	-	-
Trade payables	-	-	65,198.75	65,198.75	-	-	-	-
Other current financial liabilities	-	-	42,709.30	42,709.30	-	-	-	-
Derivative financial instruments	197.84	-	-	197.84	-	197.84	-	197.84
	197.84	-	1,08,084.49	1,08,282.33	-	197.84	-	197.84

Notes to the Financial Statements

The carrying value of financial instruments by categories as of 31st March, 2024 is as follows.

(₹ in lakhs)

Particulars	Carrying amount				Fair value			Total
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
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								
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	-	-	-	-

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)
	31-03-2025	31-03-2024		
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 ₹ 3,94,842.80 Lakhs	Listed equity securities in various companies engaged in fertilizer, chemicals, finance, gas, power and mining industry aggregate fair value of ₹ 4,88,458.82 Lakhs	Level 1	Quoted bid prices in an active market

Notes to the Financial Statements

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
		31-03-2025	31-03-2024			
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 ₹ 72,292.50 Lakhs	Investment in companies engaged in business of fertilizers industry - aggregate fair value of ₹ 74,770.43 Lakhs	Level 3	Market Multiple Discount ranging from 15% to 25% (As at 31.3.24, from 15% to 25%)	Increasing/Decreasing the Market Multiples by probability weighted range, would change the FV by +INR 3150.00 lakhs & -INR 3487.50 lakhs (As at 31.3.24, +INR 3519.00 lakhs & -INR 3903.30 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 ₹ 21,583.16 Lakhs	Investment in companies engaged in business of storage facilities - aggregate fair value of ₹ 21,092.63 Lakhs	Level 3	Market Multiple Discount ranging from 10% to 20% (As at 31.3.24 from 10% to 20%)	Increasing/Decreasing the Market Multiples by probability weighted range, would change the FV by +INR 1263.11 lakhs & -INR 1275.37 lakhs (As at 31.3.24, +INR 1256.97 lakhs & -INR 1226.32 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 ₹ 226.20 Lakhs	Investment in companies engaged in power and finance industry - aggregate fair value of ₹ 189.63 Lakhs	Level 3	Discount to Book Value ranging from 15% to 30% (As at 31.3.24 from 15% to 30%)	Increasing/Decreasing the Discounting Factor by probability weighted range, would change the FV by +INR 25.40 lakhs & -INR 25.30 lakhs (As at 31.3.24, +INR 22.01 lakhs & -INR 20.83 lakhs)
	(Refer Note below)	Investment in company engaged in the business of gas marketing - aggregate fair value of ₹ 4,136.00 Lakhs	Investment in company engaged in the business of gas marketing - aggregate fair value of ₹ 4,117.20 Lakhs	Level 3	10% +/- over base value (As at 31.3.24, 10% +/- over base value)	10% increase/Decrease over base value, would change FV by +INR 361.90 lakhs & -INR 361.90 lakhs. (As at 31.3.24, +INR 371.30 lakhs & -INR 373.65 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.						

Notes to the Financial Statements

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.

Financial assets / financial liabilities	Fair Value (₹ In Lakhs) as at		Fair Value hierarchy
	31.03.2025	31.03.2024	
3) Investments at FVTPL (quoted) (see note 7)	Listed equity securities in debentures & other quoted investment aggregate fair value is Nil	-	Level 3

ii) Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the current and previous FY.

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)

Particulars	Equity securities
Opening Balance(1 April 2024)	1,00,169.88
Net change in fair value (unrealised)	(1,932.02)
Purchases	-
Closing Balance (31 March 2025)	98,237.86

Transfer out of Level 3

There were no transfers to/from level 3 during the current and previous FY.

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 management framework

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.

Notes to the Financial Statements

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	2.23%
181-270 days past due	7.29%
270-360 days past due	16.69%
360-450 days past due	32.51%
450-540 days past due	51.21%
540-630 days past due	71.87%
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	
	31-03-2025	31-03-2024
less than 6 Months	1,44,076.38	1,18,924.46
past due 6 Months - 1 Year	8,982.39	18,757.35
past due 1 Year - 2 Year	2,738.58	10,819.66
past due 2 Year - 3 Year	145.79	1,959.00
past due more than 3 Year	10,341.61	10,368.82
	1,66,284.75	1,60,829.29

Notes to the Financial Statements

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 31-03-2025	Year ended 31-03-2024
Balance at the beginning of the year	7,092.01	7,044.36
Movement in the expected credit loss allowance on trade & other receivables calculated at lifetime expected credit losses Past due.	(405.52)	47.65
	6,686.49	7,092.01

During the FY 2024-25, impairment provision has reduced by INR 405.53 Lakhs whereas in FY 2023-24, impairment provision has increased by INR 47.65 Lakhs.

Cash and cash equivalents

The Company held cash and cash equivalents of ₹ 23846.41 Lakhs at March 31, 2025 (₹ 51233.33 Lakhs at March 31, 2024). 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 31-03-2025	As at 31-03-2024
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	85,000.00	84,749.55

Notes to the Financial Statements

Exposure to liquidity risk

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payment :

(₹ in lakhs)

March 31, 2025	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	176.44	109.23	53.29	13.92	-
Trade payables	65,198.75	65,198.75	-		
Other current financial liabilities	42,709.30	42,709.30	-		
Derivative financial liabilities					
Derivative contracts					
- Outflow	197.84	197.84	-	-	-

March 31, 2024	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	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	-	-	-	-	-

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.

Notes to the Financial Statements

Exposure to currency risk

The currency profile of financial assets and financial liabilities was as below:

(₹ in lakhs)

Particulars	March 31, 2025			
	INR	USD1	CAD1	Others1
Financial assets				
Cash and cash equivalents	23,846.41	-	-	-
Other bank balances	1,61,917.67	-	-	-
Non-current investments	4,96,885.66	-	2,424.14	-
Current loans and advances	28,355.50	-	-	-
Trade and other receivables	1,62,802.13	3,482.62	-	-
Derivative assets	-	-	-	-
Other Non-Current financial assets	8,696.44	-	-	-
Other Current financial assets	7,816.71	-	-	-
	8,90,320.52	3,482.62	2,424.14	-
Financial liabilities				
Short term borrowings	-	-	-	-
Lease Liabilities	176.44	-	-	-
Trade and other payables	51,650.61	13,443.22	-	104.92
Derivative liabilities	-	197.84	-	-
Other Current financial liabilities	42,648.16	-	-	61.14
	94,475.21	13,641.06	-	166.06

Particulars	March 31, 2024			
	INR	USD1	CAD1	Others1
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

1 - The figures are in INR Equivalent of respective currency

Notes to the Financial Statements

The following significant exchange rates have been applied during the year.

INR	Year-end spot rate	
	March 31, 2025	March 31, 2024
USD	85.58	83.37

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.

Effect in INR	31-Mar-25		31-Mar-24	
	Strengthening	Weakening	Strengthening	Weakening
10% movement				
USD	639.96	137.98	2,149.06	(1,228.04)

Changes in Financial Liabilities arising from Financing Activities as required under IND AS 7

Reconciliation of Short Term Borrowings	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Opening Balance	250.45	-
Cash flow changes in short term borrowing (Net)	(250.45)	250.45
Closing Balance	-	250.45

Reconciliation of Lease Liabilities	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Opening Balance	260.42	238.85
Add: Additions	50.91	142.35
Add: Interest recognised during the year	25.30	32.73
Less: Lease Termination	17.89	11.78
Less: Payment Made	142.30	141.73
Closing Balance	176.44	260.42

42. Research & Development Expenses

(₹ in lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Capital*	26.19	59.07
Recurring**	1,257.95	1,274.28
Total	1,284.14	1,333.35
*Capital Expenses included in PPE Note No. 5	26.19	59.07
**Recurring Expenses included in		
Note No. 33 Employee Benefit expenses	1,216.19	1,243.29
Note No. 35 Other expenses	41.76	30.99

Notes to the Financial Statements

43. Corporate Social Responsibility

(₹ in lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
a) Amount required to be spent by the company during the year	2,195.94	2,136.84
b) Amount of expenditure incurred #	1,457.74	1,558.43
c) Shortfall at the end of the year *	738.19	578.41
d) Total of previous year shortfall	-	-
e) Reason for shortfall	Ongoing Projects	Ongoing Projects
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)**	400.00	880.50
h) Provision is made with respect to a liability incurred by entering into a contractual obligation	NA	NA

* As at March 31, 2025, ₹ 738.19 lakhs (₹ 578.41 Lakhs as at 31st March, 2024) (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).

₹ 1,457.74 lakhs includes ₹ 967.30 Lakhs accounted under the head Donations and Contributions in Other Expenses (Note No. 35), ₹ 490.44 Lakhs accounted under various other heads of the Statement of Profit & Loss. (In FY 23-24, ₹ 1,558.43 lakhs included ₹ 1,122.13 Lakhs accounted under the head Donations and Contributions in Other Expenses, ₹ 229.46 Lakhs under various other heads of the Statement of Profit & Loss and ₹ 206.84 Lakhs set-off from excess CSR spending during earlier years.)

** 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 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.

Outstanding forward exchange contracts entered into by the Company

Currency	Amount (in Mn)	Buy / Sell	Cross currency
USD	11.00	Buy	Rupees
USD	(8.00)	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	11.07	Buy	Rupees
USD	(3.73)	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 2.94 Mn (As at March 31, 2024: USD 20.27 Mn)

Notes to the Financial Statements

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 ended 31 st March, 2025	Year ended 31 st March, 2024
Revenue from Contract with Customers	5,69,041.31	5,39,873.01
Revenue from Subsidy from Government	3,73,830.02	3,53,338.54
Total Revenue	9,42,871.33	8,93,211.55

The break-up of Revenue from Contract with Customers is as under:

(A) Revenue from Contract with Customers – Segment-wise

(₹ in lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Fertilizer Products	7,22,660.76	6,61,209.40
Industrial Products	2,20,210.57	2,32,002.15
Total Revenue	9,42,871.33	8,93,211.55

(B) Revenue from Contract with Customers – Activity-wise

(₹ in lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Revenue generated from Manufacturing Activity	8,38,899.17	8,06,743.19
Revenue generated from Trading Activity	1,03,368.71	85,758.19
Revenue generated from Other Operating Activity	603.45	710.17
Total Revenue	9,42,871.33	8,93,211.55

(C) Contract Liability:

(₹ in lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Opening Balance of Contract Liability	1,451.50	1,853.43
Revenue Recognised from the opening balance of contract liability	1,451.50	1,853.43
Current year Contract liability - Carried Forward	1,621.56	1,451.50
Closing Balance of Contract Liability	1,621.56	1,451.50

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.

Notes to the Financial Statements

- 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 identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 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)
- xi. Details of outstanding towards MSMED, consisting of Micro and Small Enterprises falling under either Trade Payables (Note 25) or Creditors for Capital Goods (Note 26) :

Particulars	As at 31 st March 2025	As at 31 st March 2024
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	3,431.90	2,334.31
(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	35.00	NIL
(iv) The amount of interest due and payable for the year	10.09	7.50
(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

Notes to the Financial Statements

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 2025 (₹ Lakhs)	Balance Outstanding as at March 2024 (₹ 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 AGRICUL.SERV. (P)LTD.		NA	0.25	0.28

* Company has created provision for doubtful debts for these debtors.

48. Other Matters

- 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, 2025.
- Previous year figures are regrouped / reclassified wherever required in order to make it comparable.
- 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 20th May, 2025 there were no subsequent events to be recognized or reported that are not already disclosed.

Notes to the Financial Statements

49. Financial Ratios

RATIO	UNIT OF MEASURE-MENT	NUMERA-TOR	DENOMINA-TOR	FY 24-25	FY 23-24	% VARIANCE	REASON FOR MA-JOR VARIANCE (BY MORE THAN 25%)
Current Ratio	Times	Current Assets	Current Liabilities	4.36	4.47	-2%	
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	4.66%	4.27%	9%	
Inventory Turnover	Times	Revenue from operations	Average Inventory	21.41	16.69	28%	Inventory Turnover ratio improved due to higher sales and improved inventory management.
Trade Receivables Turnover	Times	Sales Excluding Subsidy	Average Trade receivables	10.82	10.88	-1%	
Trade Payables Turnover	Times	Total Credit Purchases	Average Trade Payables	11.66	11.43	2%	
Net Capital Turnover	Times	Revenue from operations	Average Working Capital	2.19	2.07	5%	
Net Profit Ratio	%	PAT	Revenue from operations	6.08%	5.87%	4%	
Return on Capital Employed	Times	Earning before interest and taxes	Capital Employed **	0.06	0.05	16%	
Return on Investment \$	%	Yield	Average Investment	7.65%	7.56%	1%	

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.

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)

S. K. Bajpai
SVP (Finance & Legal) & CFO

Tapan Ray
Director
(DIN-00728682)

Nidhi Pillai
Company Secretary

Gandhinagar
20th May, 2025

Independent Auditor's Report

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, 2025, 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, 2025, 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 Matters	Auditor's Response
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, 2025 works out to ₹ 4,891.45 Lakhs & ₹ 128.21 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 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 ₹ 3,73,336.12 Lakhs and the aggregate amount of subsidy receivable as at March 31, 2025 is ₹ 1,08,747.44 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.	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 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 were 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.	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 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.

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.

If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditor's Report (Contd...)

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 its 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 and its Subsidiary Companies have 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.

Independent Auditor's Report (Contd...)

- 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 ₹ 14,900.32 Lakhs as at March 31, 2025, total revenue of ₹ 35,140.06 Lakhs, total net loss of ₹ 162.94 Lakhs and total comprehensive income of ₹ (160.52 Lakhs) for the year ended March 31, 2025 respectively and net cash inflow of ₹ 2,702.40 Lakhs for the year ended on March 31, 2025 as considered in the financial statement. The consolidated financial statements also include associates' profit/(loss) after tax of ₹ 1,178.86 Lakhs and total comprehensive income of ₹ 1,171.23 Lakhs for the year ended March 31, 2025, as considered in the statement of respect of 3 associates whose financial statements / financial information have not been audited. This financial statements / financial information is 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 and procedures performed by us as stated in paragraph above. In our opinion and according to the information and explanations given to us by the Management, this financial statements / financial information is 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.

Independent Auditor's Report (Contd...)

- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 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, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to 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 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 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, 2025 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. Additionally, the audit trail has been preserved by the Holding Company as per the statutory requirements for record retention.

Independent Auditor's Report (Contd...)

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.

For Parikh Mehta & Associates
Chartered Accountants
Firm Reg. No.: 112832W

Sd/-
Tejal Parikh
Partner

Membership No. 109600
UDIN: 25109600BMKPLG7747

Place: Gandhinagar
Date: May 20, 2025

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, 2025, 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 auditors 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

Independent Auditor's Report (Contd...)

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, 2025, 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 Accountant
Firm Reg. No.: 112832W

Sd/-
Tejal Parikh
Partner

Membership No. 109600
UDIN: 25109600BMKPLG7747

Place: Gandhinagar
Date: May 20, 2025

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2025

(₹ in lakhs)

Particulars	Note	As at 31 st March 2025	As at 31 st March 2024
A. ASSETS			
1. Non-current assets			
(a) Property, Plant and Equipments	5	2,46,192.40	2,50,582.25
(b) Capital work-in-progress	5	69,043.70	23,583.25
(c) Right of Use Assets	5	3,785.59	4,018.50
(d) Other Intangible assets	6	439.30	257.21
(e) Financial Assets			
(i) Investments			
- Investments in Associates	7	12,442.64	12,907.27
- Investments - Others	7	4,93,080.66	5,88,628.71
(ii) Others financial assets	8	8,721.47	8,553.71
(f) Income tax assets (Net)	23	5,366.92	6,130.41
(g) Other non current assets	9	32,802.40	40,295.71
		8,71,875.08	9,34,957.02
2. Current assets			
(a) Inventories	10	1,47,927.78	1,30,475.64
(b) Financial Assets			
(i) Trade receivable	11	53,660.70	51,008.48
(ii) Government subsidies receivable	12	1,08,747.44	1,07,558.99
(iii) Cash and cash equivalents	13	28,544.74	53,229.27
(iv) Bank balances other than (iii) above	14	1,62,182.67	1,77,067.25
(v) Loans	15	28,355.50	25,886.96
(vi) Others financial assets	16	7,984.60	8,188.03
(c) Other current assets	17	27,622.39	16,697.56
		5,65,025.82	5,70,112.18
3. Assets held for sale	18	-	-
TOTAL ASSETS		14,36,900.90	15,05,069.20
B. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	19	7,969.55	7,969.55
(b) Other Equity	20	12,05,878.20	12,64,729.16
(c) Non Controlling Interest		1,084.68	131.27
		12,14,932.43	12,72,829.98

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2025 (Contd...)

(₹ in lakhs)

Particulars	Note	As at 31 st March 2025	As at 31 st March 2024
LIABILITIES			
1. Non-current liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities - Non Current	24	67.21	152.12
(b) Provisions	21	45,771.47	56,917.77
(c) Deferred Subsidy Income		174.12	160.13
(d) Deferred tax liabilities (Net)	23	45,753.45	44,654.20
		91,766.25	1,01,884.22
2. Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	-	250.45
(ii) Lease Liabilities - Current	24	109.23	108.30
(iii) Trade payables	25		
- Total outstanding dues of micro enterprise and small enterprise		3,616.12	3,598.53
- Total outstanding dues of creditors other than micro enterprise and small enterprise		63,893.00	76,253.83
(iv) Other financial Liabilities	26	43,455.22	29,682.89
(b) Other current liabilities	27	4,947.46	5,311.28
(c) Provisions	28	11,157.31	14,348.96
(d) Current tax liabilities (Net)	23	3,023.88	800.76
		1,30,202.22	1,30,355.00
TOTAL EQUITY & LIABILITIES		14,36,900.90	15,05,069.20
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)

S. K. Bajpai
SVP (Finance & Legal) & CFO

Tapan Ray
Director
(DIN-00728682)

Nidhi Pillai
Company Secretary

Gandhinagar
20th May, 2025

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

(₹ in lakhs)

Particulars	Note	Year Ended 31 st March	
		2025	2024
I Income			
Revenue from operations	29	9,53,395.77	9,15,464.41
Other income	30	31,467.91	37,689.27
Total income		9,84,863.68	9,53,153.68
II Expenses			
Cost of materials consumed	31	4,99,656.98	4,76,121.45
Purchase of stock in trade		1,16,049.74	86,586.61
Changes in inventories of finished goods, work in process and stock in trade	32	(6,222.85)	18,831.11
Power and Fuel		1,02,597.43	1,09,465.84
Employee benefits expense	33	81,355.49	84,982.53
Finance costs	34	1,008.75	1,119.51
Depreciation and amortization expense		19,202.01	18,347.75
Other expenses	35	96,768.18	88,160.37
Total Expenses		9,10,415.73	8,83,615.18
III Profit before share of profit/(loss) of Associates		74,447.95	69,538.50
IV Share of profit of Associates		1,178.86	841.36
V Profit before tax		75,626.81	70,379.87
VI Tax expense			
Current tax	23	11,598.02	15,167.33
Deferred tax	23	5,565.91	(236.78)
Tax related to earlier years	23	(652.68)	(929.14)
VII Profit for the year		59,115.56	56,378.46
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		(6,259.80)	(30,113.69)
Income tax effect on above		1,573.55	7,578.69
Net fair value (loss) / gain on investments in equity instruments at FVTOCI		(1,00,199.37)	79,840.50
- Income tax effect on above		2,893.11	(5,150.34)
Net other comprehensive income that will not be reclassified to profit or loss		(1,01,992.51)	52,155.16
IX Total Comprehensive Income for the year (VII+VIII)		(42,876.95)	1,08,533.61
Net Profit attributable to :			
(a) Owners of the company		59,105.55	56,404.51
(b) Non Controlling Interest		10.01	(26.05)
Other Comprehensive Income attributable to :			
(a) Owners of the company		(1,01,992.51)	52,155.16
(b) Non Controlling Interest		-	-
Total Comprehensive Income attributable to :			
(a) Owners of the company		(42,886.97)	1,08,559.67
(b) Non Controlling Interest		10.01	(26.05)
Earnings per equity share (face value of ₹ 2/- each)			
Basic and Diluted Earnings per equity share:	36	14.83	14.16
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)

S. K. Bajpai
SVP (Finance & Legal) & CFO

Tapan Ray
Director
(DIN-00728682)

Nidhi Pillai
Company Secretary

Gandhinagar
20th May, 2025

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2025

(₹ in lakhs)

Particulars	Year Ended 31 st March	
	2025	2024
A Cash Flow From Operating Activities :		
Profit Before Tax	75,626.81	70,379.87
Adjustments for :		
Depreciation and amortisation expense	19,202.01	18,347.75
Amortisation of lease hold land	297.53	297.53
Share of Profit of Associates	(1,178.86)	(841.36)
Unrealised Foreign Exchange(Gain)/Loss	94.38	(141.53)
Provision for Assets Retiring Obligation	231.41	213.35
Finance cost	556.63	654.74
Interest income	(15,614.17)	(14,223.39)
Impairment loss	1,691.13	-
Loss/ (Profit) on fixed assets sold/written off	314.49	32.87
Dividend income	(9,669.27)	(14,653.60)
Excess Provision written Back	(1,736.65)	(4,911.38)
Deferred Subsidy Income	(11.01)	(11.22)
Provision for doubtful debts/advances	512.37	125.44
Operating Profit before Working Capital Changes	70,316.78	55,269.07
Movements in working capital:		
Inventories	(17,452.14)	1,895.61
Trade receivables, loans and advances and other assets	(1,475.68)	(85,946.25)
Trade payables, other current liabilities and provision	(35,083.20)	17,628.55
Cash Generated from Operations	16,305.76	(11,153.03)
Direct taxes paid (net of refunds)	(7,957.63)	(15,654.54)
Net Cash Flow from Operating Activities	8,348.13	(26,807.56)
B Cash Flow From Investing Activities :		
Purchase of property, plant & equipments (including CWIP & capital advances)	(37,953.86)	(24,020.21)
Purchase of non current investments	(4,500.00)	-
Sale of investments	-	12,267.32
Investment in FD	50.00	25.00
Interest received	15,606.87	7,620.31
Dividend received	9,631.77	14,666.10
Net Cash Flow used in Investing Activities	(17,165.22)	10,558.51
C Cash Flow From Financing Activities		
Proceeds from issue of shares	960.00	-
Expense for Increase of Authorised Share capital	(41.51)	-
Net increase/(decrease) in short term borrowings	(250.45)	250.45
Interest paid	(531.33)	(622.01)
Dividend paid	(15,836.55)	(39,765.40)
Lease Liability Payment	(142.30)	(141.73)
Lease Interest Paid	(25.30)	(32.73)
Net Cash Flow from/ (used in) Financing Activities	(15,867.44)	(40,311.42)
Net Increase/ (Decrease) in Cash & Cash Equivalents	(24,684.53)	(56,560.47)
Cash and Cash Equivalents as at the beginning of the year	53,229.27	1,09,789.75
Cash and Cash Equivalents as at end of the year (Refer Note-13)	28,544.74	53,229.27
Notes:		
Components of Cash and cash equivalents		
Cash on hand	92.66	73.99
Balances with banks		
In current accounts	3,597.72	3,104.25
Debit balance in Cash Credit Account	8,702.79	5,595.69
Deposit with original maturity of less than three months	13,651.57	44,455.34
Liquid Deposits with Financial Institutions	2,500.00	-
Total Cash and cash equivalents	28,544.74	53,229.27

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
(DIN-05351774)

S. K. Bajpai
SVP (Finance & Legal) & CFO

Tapan Ray
Director
(DIN-00728682)

Nidhi Pillai
Company Secretary

Gandhinagar
20th May, 2025

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (SOCIE)

Note (a) : Equity share capital

(₹ in lakhs)

Particulars	Amount
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
Balance as at April 01, 2024	7,969.55
Changes in equity share capital due to prior period errors	-
Restated balance as at April 01, 2024	7,969.55
Changes in equity share capital during the year	-
Balance as at March 31, 2025	7,969.55

Note (b) : Other equity

(₹ in lakhs)

Particulars	Reserves & Surplus						Total Equity
	Capital Reserve	Security Premium	Capital Redemption Reserve	General Reserve	Retained Earnings	Items of OCI Equity Instruments Through OCI	
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 1 st 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
Balance as at April 01, 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
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated Balance as at 1 st April, 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
Profit for the year	-	-	-	-	59,105.56	-	59,105.56
Other comprehensive income for the year net of income tax	-	-	-	-	-	(97,306.26)	(97,306.26)
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	-	(4,686.25)	-	(4,686.25)
Total comprehensive income for the year	-	-	-	-	54,419.30	(97,306.26)	(42,886.96)
Expense for Increase of Authorised Share capital	-	-	-	-	(24.91)	-	(24.91)
Dividends paid [Note 20]	-	-	-	-	(15,939.10)	-	(15,939.10)
Transfer to General reserve	-	-	-	37,000.00	(37,000.00)	-	-
Balance as at March 31, 2025	2,456.71	30,524.02	3,335.00	6,62,153.31	1,22,337.86	3,85,071.30	12,05,878.20

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)

S. K. Bajpai
SVP (Finance & Legal) & CFO

Tapan Ray
Director
(DIN-00728682)

Nidhi Pillai
Company Secretary

Gandhinagar
20th May, 2025

Notes to the Consolidated Financial Statements

Notes to the financial statements for the year ended March 31, 2025

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 20, 2025.

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.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

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.

Notes to the Consolidated Financial Statements

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

Notes to the Consolidated Financial Statements

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

Notes to the Consolidated Financial Statements

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 and Amortization 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 derecognised 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:

- In case of individual asset, at higher of the fair value less cost to sell and value in use; and
- 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.

Notes to the Consolidated Financial Statements

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.

Notes to the Consolidated Financial Statements

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.
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, pertaining to the exempted PF Trusts, if any, between the return from the investments of the trusts and the interest rate notified by Government.
 - (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

Notes to the Consolidated Financial Statements

- 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:

- Debt investments that do not qualify for measurement at amortised cost;
- Debt investments that do not qualify for measurement at fair value through other comprehensive income; and
- 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:

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

Notes to the Consolidated Financial Statements

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

Notes to the Consolidated Financial Statements

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:

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.

Notes to the Consolidated Financial Statements

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.

A contingent asset is a possible asset that arises from past events the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are neither recognised nor disclosed in the Group's financial statements.

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.

Notes to the Consolidated Financial Statements

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

Notes to the Consolidated Financial Statements

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 Ministry of Corporate Affairs had not made any amendments to Companies (Indian Accounting Standards) Rules 2015, for the reporting period which were effective from April 1, 2024.
- B. On 7 May 2025, MCA notified Companies (Indian Accounting Standards) Amendment Rules, 2025, effective from 1 April 2025, to further amend the Companies (Indian Accounting Standards) Rules, 2015. Amendments were made to the following Ind AS:-
 - a) Ind AS 21 (The Effects of Changes in Foreign Exchange Rates)

The Group is not expecting any significant impact in the financial statements from these amendments. The quantitative impacts would be finalized based on a detailed assessment which has been initiated to identify the key impacts along with evaluation of appropriate transition options.

Notes to the Consolidated Financial Statements

5. (i) Property, Plant and Equipment

(₹ in lakhs)

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01-Apr-24	Additions	Deductions/ Adjustments	As at 31-Mar-25	As at 01-Apr-24	Charge for the year	Deductions/ Adjustments	As at 31-Mar-25	Balance as at 31-Mar-25	Balance as at 31-Mar-24
Freehold land	4,051.03	1,517.70	-	5,568.73	-	-	-	-	5,568.73	4,051.03
Buildings	23,452.10	822.21	-	24,274.31	5,757.77	779.45	-	6,537.22	17,737.09	17,694.33
Bridge, culverts, bunders, etc.	0.18	-	-	0.18	0.16	-	-	0.16	0.02	0.02
Roads	528.73	174.74	-	703.47	215.57	47.82	-	263.39	440.08	313.16
Plant and machinery	3,15,763.37	10,848.10	1,560.55	3,25,050.92	99,572.63	15,723.43	1,139.95	1,14,156.11	2,10,894.81	2,16,190.74
Furniture and fittings	1,453.38	45.80	2.71	1,496.47	660.83	129.65	2.57	787.91	708.56	792.55
Motor Vehicles	235.98	40.66	63.48	213.16	82.39	37.69	60.31	59.77	153.39	153.59
Railway sidings	2,208.14	-	-	2,208.14	1,046.02	121.60	-	1,167.62	1,040.52	1,162.12
Office equipment	1,614.69	95.21	35.98	1,673.92	990.33	160.09	34.12	1,116.30	557.62	624.36
Computers and Data Processing units	1,430.15	25.74	11.14	1,444.75	803.61	172.34	10.59	965.36	479.39	626.54
Laboratory equipment	1,797.91	54.28	34.58	1,817.61	909.91	146.70	32.85	1,023.76	793.85	888.00
Electrical Installation and Equipment	15,701.00	1,238.42	2.40	16,937.02	7,618.93	1,505.40	2.28	9,122.05	7,814.97	8,082.07
Library books	16.96	-	-	16.96	13.23	0.36	-	13.59	3.37	3.73
TOTAL	3,68,253.62	14,862.86	1,710.84	3,81,405.64	1,17,671.38	18,824.53	1,282.67	1,35,213.24	2,46,192.40	2,50,582.24

Capital Work In Progress (CWIP) Movement Schedule

Particulars	31-Mar-25	31-Mar-24
Opening Balance	23,583.25	19,959.93
Add. : Additions During the Year	57,459.42	16,583.12
Less : Capitalisation During the Year	11,931.20	12,959.80
Less: Impairment during the Year	67.77	-
Closing Balance	69,043.70	23,583.25

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

5. (ii) Right of Use Assets

(₹ in lakhs)

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01-Apr-24	Additions	Deductions/ Adjustments	As at 31-Mar-25	As at 01-Apr-24	Charge for the year	Deductions/ Adjustments	As at 31-Mar-25	Balance as at 31-Mar-25	Balance as at 31-Mar-24
Leasehold Building	470.26	50.91	32.80	488.37	208.84	133.28	19.55	322.57	165.80	261.42
Leasehold land	4,317.96	-	-	4,317.96	560.88	137.29	-	698.17	3,619.79	3,757.08
TOTAL	4,788.22	50.91	32.80	4,806.33	769.72	270.57	19.55	1,020.74	3,785.59	4,018.50

Notes to the Consolidated Financial Statements

(₹ 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

5. (iii) Capital Work In Progress Ageing Schedule

(₹ in lakhs)

Particulars	Amount as on 31.03.2025 in CWIP for the period of					Amount as on 31.03.2024 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	54,304.88	4,875.61	951.50	5,287.11	65,419.10	12,632.27	1,763.52	2,665.42	2,809.27	19,870.49
Projects temporarily suspended *	-67.77	-	-	3,692.37	3,624.59	-	-	-	3,712.76	3,712.76
TOTAL	54,237.11	4,875.61	951.50	8,979.48	69,043.70	12,632.27	1,763.52	2,665.42	6,522.03	23,583.25

*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.

During the year, the group has recognised an impairment loss of ₹ 67.77 Lakhs for CWIP related to Polymer Unit.

6. Intangible assets

(₹ in lakhs)

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01-Apr-24	Additions	Deductions/ Adjustments	As at 31-Mar-25	As at 01-Apr-24	Charge for the year	Deductions/ Adjustments	As at 31-Mar-25	Balance as at 31-Mar-25	Balance as at 31-Mar-24
Computer software	1,564.53	292.99	9.74	1,847.78	1,307.32	106.91	5.75	1,408.48	439.30	257.21
TOTAL	1,564.53	292.99	9.74	1,847.78	1,307.32	106.91	5.75	1,408.48	439.30	257.21

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	1,428.33	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

Notes

- The Group has capitalised 20 MTPD HX Crystal Project ₹ 6632 lakhs during FY 2024-25.
- Asset acquisition includes R&D assets of ₹ 26.19 lakhs (previous year ₹ 59.07 lakhs).
- The Group has leased a portion of land to Bank of Baroda for bank premises at Fertilizernagar & Sikka. Further, the Company has let out its premises in Dashrath to Vadodara Gas Limited for which renewal lease agreement is finalised but government approval is under consideration.
- 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.
- 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.

Notes to the Consolidated Financial Statements

7. Non-current investments

(₹ in lakhs)

Particulars	As at 31-03-2025	As at 31-03-2024
Investments in equity shares of Associates measured at cost under equity method		
14,302 shares of Vadodara Enviro Channel Ltd. - ₹ 10 each*	25.88	91.78
12,50,000 shares of Gujarat Green Revolution Company Ltd. - ₹ 10 each	12,416.76	11,192.13
2,54,34,558 Shares of Karnalyte Resources Inc - Canadian Dollar (CAD)	3,041.46	3,041.46
Less : Provision for Impairment (Note - g)	3,041.46	1,418.10
	12,442.64	12,907.27
Unquoted equity shares of other companies measured at fair value through OCI		
22,50,000 Shares of Indian Potash Limited - ₹ 10 each	72,292.50	74,770.42
12,26,31,575 Shares of Gujarat Chemical Port Limited - Re. 1 each (Formerly Gujarat Chemical Port Terminal Company Limited)	21,583.16	21,092.63
1 Share of Gujarat State Electricity Corporation Ltd – ₹ 10 each	-	-
2,35,00,000 Shares of Gujarat State Petroleum Corporation Limited – Re. 1 each	4,136.00	4,117.20
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	205.20	168.87
50,000 Shares of Biotech Consortium India Limited – ₹ 10 each	21.00	20.76
1,15,000 Shares of Gujarat Data Electronics Limited - ₹ 10 each	-	-
	98,237.86	1,00,169.88
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	1,44,893.94	1,82,441.74
2,43,45,162 Shares of Gujarat Industries Power Company Ltd. - ₹ 10 each (19,82,378 shares subscribed during the year) (Note-d)	43,921.11	36,462.52
16,55,040 Shares of Gujarat Alkalies & Chemicals Ltd. - ₹ 10 each	9,585.99	11,145.87
4,69,14,475 Shares of Gujarat Gas Ltd. - ₹ 2 each	1,93,451.84	2,55,332.03
9,35,600 Shares of Gujarat State Financial Corporation - ₹ 10 each	-	-
11,36,000 Shares of Bandhan Bank Limited - ₹ 10 each	1,661.74	2,044.80
5,49,440 Shares of Industrial Development Bank of India - ₹ 10 each	426.91	445.05
5,79,000 Shares of Mangalore Chemicals & Fertilizers Ltd. - ₹ 10 each	901.27	586.82
	3,94,842.80	4,88,458.83
Total FVTOCI Investments	4,93,080.66	5,88,628.71
Investments at fair value through profit and loss (FVTPL)		
Investments at FVTPL - Quoted - (Note-e)		
Debentures	-	-
Other investment	-	-
Total Investments at FVTPL	-	-
Other equity investments		
Tunisian Indian Fertilizers (TIFERT) (Note - f)	-	-
TOTAL INVESTMENTS	5,05,523.30	6,01,535.98
Aggregate book value of Quoted Investments	3,94,842.80	4,88,458.83
Aggregate market value of Quoted Investments	3,94,842.80	4,88,458.83
Aggregate carrying value of Unquoted Investments	1,10,680.50	1,13,077.15
Category-wise other investments-as per Ind AS 109 classification		
Particulars	31-03-2025	31-03-2024
Financial assets carried at fair value through profit or loss (FVTPL)	-	-
Financial assets carried at cost	12,442.64	12,907.27
Financial assets measured at FVTOCI	4,93,080.66	5,88,628.71
TOTAL INVESTMENTS	5,05,523.30	6,01,535.98

Notes to the Consolidated Financial Statements

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, the group has made equity contribution in Gujarat Industries Power Company Ltd., of 19,82,378 equity shares of Face value of ₹ 10 each. (₹ NIL during FY 2023-24)
- e) Represents the various defaulted securities having net face value of ₹ 1912.81 Lakhs received in demat, against the losses make good by the group to GSFC's EPFTs as per EPFO guideline. (₹ NIL during FY 2023-24)
- f) 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 5 years in total (Maturing in July, 2025) under three different amendment agreements by Sponsors on request of TIFERT. 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 2025 & 31st March 2024.
- g) Impairment Loss of ₹ 1623.36 Lakhs (to the extent of the carrying value) has been recognised in the carrying value of investment in Karnalyte Resources Inc. during FY 2024-25 (₹ NIL during FY 2023-24) under the head "Other Expenses (Note No 35)" in Profit and Loss Account, taking into consideration consistent operating losses booked by the group and its low market capitalisation. As share valuation has been carried out considering the Net Asset Value method, Investment is categorised at Level 3 of the fair value hierarchy. Further as the carrying amount of karnalyte Resources Inc. is NIL as on 31st March 2025, Group's share of loss is not recognised.

8. Other non-current financial assets

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Other deposits	8,619.47	8,553.71
Margin Deposits	102.00	-
Deposits with companies & others	102.70	102.70
Less: Allowance for doubtful deposits	(102.70)	(102.70)
TOTAL	8,721.47	8,553.71

9. Other non current assets

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Capital Advances*	32,764.19	40,257.50
Others	38.21	38.21
TOTAL	32,802.40	40,295.71

*Capital advance as on 31st March, 2025 includes ₹ 27,075.44 lakhs (₹ 27,372.98 lakhs as at 31st March, 2024) advance for leasehold land pending execution of lease deed towards plot in Dahej.

Notes to the Consolidated Financial Statements

10. Inventories

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Raw materials	57,498.40	21,815.06
Raw materials in Transit	80.06	25,104.61
Work-in-Process	2,649.05	3,023.22
Finished goods	39,050.42	40,179.70
Stock in trade	10,278.95	10,508.79
Stock in trade-in Transit	13,275.38	5,319.25
Stores and spares (including packing material)	25,095.52	24,525.01
TOTAL	1,47,927.78	1,30,475.64

11. Trade Receivables

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Secured, considered good	891.88	834.84
Unsecured, considered good	52,878.62	50,319.91
Less: Allowance for expected credit loss	(109.80)	(146.27)
Unsecured, considered good	52,768.82	50,173.64
Unsecured, credit impaired	6,576.69	6,487.45
Less: Allowance for doubtful debts	(6,576.69)	(6,487.45)
Unsecured, credit impaired	-	-
Total Trade Receivables	53,660.70	51,008.48

- 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.
- 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.
- The concentration of credit risk is limited due to the fact that the customer base is large and unrelated. There is no customer constituting more than 10% balance of the total trade receivables as of the Balance Sheet date. Refer note 41 for the credit risk management by the Group.
- The above balances include trade receivables from related parties ₹ 1426.32 Lakhs (₹ 1504.31 Lakhs as on 31 March 2024) Refer note 39.

Notes to the Consolidated Financial Statements

(v) Trade receivable ageing schedule:

Particulars	Outstanding as on 31 st March 2025 for following periods from due date of payment							Outstanding as on 31 st March 2024 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	51,000.07	1,278.52	243.56	552.40	278.65	307.50	53,660.70	45,761.66	4,320.39	666.41	166.97	24.70	68.35	51,008.48
Undisputed trade receivable- Significant increase in credit risk	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Undisputed Trade Receivable- Credit Impaired	16.14	3.79	0.62	54.41	8.22	26.61	109.80	14.96	12.51	2.16	10.54	12.09	94.01	146.27
Disputed Trade Receivable- Considered good	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable- Significant increase in credit risk	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disputed Trade Receivable- Credit Impaired	-	-	-	69.74	-	6,506.95	6,576.69	-	24.21	17.63	-	6.82	6,438.78	6,487.44
	51,016.21	1,282.32	244.18	676.54	286.87	6,841.06	60,347.18	45,776.62	4,357.11	686.20	177.51	43.61	6,601.14	57,642.19
Less: Credit Impaired (Allowance for Doubtful Debt)	16.14	3.79	0.62	124.15	8.22	6,533.56	6,686.49	14.96	36.72	19.79	10.54	18.91	6,532.79	6,633.71
Total Receivables	51,000.07	1,278.53	243.56	552.39	278.65	307.50	53,660.70	45,761.66	4,320.39	666.41	166.97	24.70	68.35	51,008.48

Notes to the Consolidated Financial Statements

12. Government subsidies receivable

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Subsidy from Government of India under New Urea Policy/Nutrient Based Subsidy Scheme		
Subsidy Receivable from Government	1,08,747.44	1,08,017.29
Less: Allowance for doubtful debts	-	458.29
TOTAL	1,08,747.44	1,07,558.99

13. Cash and cash equivalents

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Cash and cash equivalents		
Cash on hand	92.66	73.99
Balances with banks		
In current accounts	3,597.72	3,104.25
Debit balance in Cash Credit Account	8,702.79	5,595.69
Deposit with original maturity of less than three months	13,651.57	44,455.34
Liquid Deposits with Financial Institutions	2,500.00	-
TOTAL	28,544.74	53,229.27

14. Other bank balances

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
In Unclaimed dividend account-restricted	586.09	533.54
In Fractional bonus account-restricted	-	-
In Margin Deposit	126.57	223.70
In Deposit accounts (original maturity more than three months)	1,61,470.01	1,76,310.01
TOTAL	1,62,182.67	1,77,067.25

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 2016 – 2017 to IEPF upto March 31, 2025.

Notes to the Consolidated Financial Statements

15. Loans

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Secured, considered good		
Loans to employees*	27,840.14	25,335.95
Unsecured, considered good		
Advances to employees	24.87	26.44
Other loans to employees	490.49	524.57
TOTAL	28,355.50	25,886.96

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 31 st March 2025	As at 31 st March 2024
Financial assets at fair value through profit & loss		
Derivatives not designated in hedging relationship	-	43.48
Foreign exchange derivative contracts	-	-
Financial assets at amortised cost		
Interest accrued	7,632.75	7,726.54
Others	351.85	418.01
TOTAL	7,984.60	8,188.03

17. Other Current Assets

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Unsecured, considered good		
Balances with govt. agencies	16,091.86	4,340.82
Advances to suppliers*	10,745.99	11,759.72
Prepaid expenses	464.09	297.17
Prepayment for Lease hold lands	297.53	297.53
Other Receivables	22.92	2.32
TOTAL	27,622.39	16,697.56

* includes advances to related parties ₹ 5040.90 lakhs (₹ 8268.99 lakhs as at 31st March,2024). (Refer note no 39)

18. Assets held for sale

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Assets classified as held for sale	-	-
TOTAL	-	-

Notes to the Consolidated Financial Statements

19. Share Capital

(₹ in lakhs)

Particulars	As at 31 st March 2025		As at 31 st March 2024	
	Number of shares Refer Note (a) below	Amount	Number of shares Refer Note (a) below	Amount
Equity Shares of ₹ 2/- each	1,00,00,00,000	20,000.00	1,00,00,00,000	20,000.00
Redeemable Cumulative Preference	1,60,00,000	16,000.00	1,60,00,000	16,000.00
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 31 st March 2025		As at 31 st March 2024	
	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 31 st March 2025		As at 31 st March 2024	
	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

Notes to the Consolidated Financial Statements

- 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 Promoters holding Shares in the company

Particulars	As at 31 st March 2025		As at 31 st March 2024		% 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 31 st March 2024		As at 31 st 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	-

20. Other equity

(₹ in lakhs)

Particulars	Reserves & Surplus					Items of OCI Equity Instruments through OCI	Total Equity
	Capital reserve	Security premium	Capital redemption reserve	General reserve	Retained earnings		
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 1 st 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	-	-	-	-	(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
Balance as at April 01, 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
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated Balance as at 1 st April, 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
Profit for the year	-	-	-	-	59,105.56	-	59,105.56
Other comprehensive income for the year net of income tax	-	-	-	-	-	(97,306.26)	(97,306.26)
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	-	-	(4,686.25)	-	(4,686.25)
Total comprehensive income for the year	-	-	-	-	54,419.30	(97,306.26)	(42,886.96)
Expense for Increase of Authorised Share capital	-	-	-	-	(24.91)	-	(24.91)
Dividends paid	-	-	-	-	(15,939.10)	-	(15,939.10)
Transfer to General reserve	-	-	-	37,000.00	(37,000.00)	-	-
Balance as at March 31, 2025	2,456.71	30,524.02	3,335.00	6,62,153.31	1,22,337.86	3,85,071.30	12,05,878.20

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 2024: ₹ 4.00 per share (31 March 2023: ₹ 10.00 per share)	15,939.10
Total cash dividends declared and paid	15,939.10
Proposed dividends on Equity shares:	
Final dividend for the year ended on 31 March 2025: ₹ 5.00 per share (31 March 2024: ₹ 4.00 per share)	19,923.88
Total Proposed dividends	19,923.88
Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability	

Notes to the Consolidated Financial Statements

- 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.
- 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.
- 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.
- General Reserve:** General Reserve represents a reserve other than capital reserve which is not earmarked for a specific purpose.
- Retained Earnings:** Retained Earnings represents surplus/accumulated earnings of the Group and are available for distribution to shareholders.
- 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 31 st March 2025	As at 31 st March 2024
Provision for employee benefits		
Provision for Gratuity (Refer Note 37)	4,183.07	7,449.29
Provision for Pension (Refer Note 37)	2,912.25	12,642.45
Provision for Compensated absences	28,186.03	26,607.06
Provision for Post Retirement Medical Benefit Scheme (PRMBS) (Refer Note 37)	4,962.88	4,923.14
Provision for Asset Retirement Obligation	3,022.98	2,791.57
Other Provisions	2,504.26	2,504.26
TOTAL	45,771.47	56,917.77

Movement in provision for Asset Retirement Obligation:

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Balance at Beginning of Year	2,791.57	2,578.23
Additional provision recognised	231.41	213.34
Provision Utilized	-	-
Balance at Closing of Year	3,022.98	2,791.57

22. Financial Liabilities- borrowings

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
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:

- Cash credit accounts carries interest rates ranging from 8.35% to 9.30% p.a.
- Working capital demand loan carries interest rate ranging from 8.15% to 9.30% p.a.
- 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 accounts of the Group for the respective periods.

Notes to the Consolidated Financial Statements

23.

A. Income tax asset (net)

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Advance payment of Income Tax (net)	5,366.92	6,130.41

B. Current tax liabilities (net)

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Provision for Income Tax (net)	3,023.88	800.76

C. Tax Expense

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
(a) Statement of Profit & loss		
Profit & loss section		
Current income tax charge (net of MAT credit entitlement)	11,598.02	15,167.33
Deferred tax relating to origination & reversal of temporary differences	5,565.91	(236.78)
Tax related to earlier years	(652.68)	(929.14)
Income tax expense reported in the statement of profit or loss	16,511.25	14,001.41
(b) Other comprehensive income section		
Unrealised (gain)/loss on FVTOCI equity securities	(2,893.11)	5,150.34
Net loss/(gain) on remeasurements of defined benefit plans	(1,573.55)	(7,578.69)
Income tax charged to OCI	(4,466.66)	(2,428.35)
(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	75,626.81	70,379.88
Statutory income tax rate	25.168%	25.168%
Tax at statutory income tax rate	18,631.18	16,722.81
Tax effects of :		
Income not subject to tax	(260.53)	(61.19)
Inadmissible expenses or expenses treated separately	10,019.25	11,025.15
Admissible deductions	(14,355.18)	(8,815.69)
Deduction Under chapter - VI	(2,436.71)	(3,703.75)
Deferred tax on other items	5,565.91	(236.79)
Total Tax effects	(1,467.25)	(1,792.26)
Income tax expense	17,163.93	14,930.55
Earlier year tax	(652.68)	(929.14)
Income tax expense reported in statement of Profit & loss	16,511.25	14,001.41

Notes to the Consolidated Financial Statements

D. Deferred tax relates to the following:

(₹ in lakhs)

	Balance sheet		Profit & loss	
	31-Mar-25	31-Mar-24	2024-25	2023-24
Property, plant and equipment	(36,818.28)	(37,838.11)	1,019.84	1,088.18
Expenses allowable for tax purpose when paid	14,182.42	11,752.36	2,430.06	3,179.91
Investments in Equity instruments	(25,584.44)	(28,477.55)	2,893.11	(5,150.35)
Fair valuation of deposits	0.21	0.21	0.00	-
Actuarial loss on Defined benefit plan	6.77	6,836.38	(6,829.61)	5,149.34
Fair valuation of Derivatives	-	-	-	-
Machinery Spares	-	-	-	-
Undistributed profit of associates	-	-	-	-
Provision for PF Contribution	0.00	327.81	(327.81)	(651.00)
Provision for Various expenses (Including Doubtful debt)	1,875.81	2,352.85	(477.04)	(969.62)
ARO provision-Windmill	526.48	472.98	53.50	49.53
ARO provision-Solar	21.03	16.29	4.74	4.16
Leasehold Building IND AS	(171.55)	(142.10)	(29.45)	(27.43)
ICDS Impact	38.32	44.68	(6.36)	(7.58)
Loss carried forward	169.76	-	169.76	-
Reclassification of MAT Credit entitlement	-	-	-	-
Deferred tax expense/(income)	-	-	(1,099.25)	2,665.14
Net deferred tax assets/(liabilities)	(45,753.45)	(44,654.20)	-	-
Reconciliation of deferred tax liabilities (net):				
Opening Balance as at	31-Mar-24	31-Mar-23		
	(44,654.20)	(47,319.34)		
Tax income/(expense) during the period recognised in P&L	(5,565.91)	236.78		
Tax income / (Expense) MAT credit recognised in P&L	-	-		
Tax income/(expense) during the period recognised in OCI	4,466.66	2,428.35		
Closing balance as at	(45,753.45)	(44,654.20)		
	31-Mar-25	31-Mar-24		

Notes:

- 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.

Notes to the Consolidated Financial Statements

24. Lease Liabilities

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Current	109.23	108.30
Non Current	67.21	152.12
TOTAL LEASE LIABILITIES	176.44	260.42

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 31 st March 2025	As at 31 st March 2024
Depreciation expenses of right-of-use assets	270.57	267.31
Interest expenses on lease liabilities	25.30	32.73
TOTAL AMOUNT RECOGNISED IN PROFIT & LOSS	295.87	300.04

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 31 st March 2025	As at 31 st March 2024
Due to Micro and Small Enterprises *	3,616.12	3,598.53
Others**	63,893.00	76,253.83
TOTAL	67,509.12	79,852.36

Notes to the Consolidated Financial Statements

(2) Trade Payables ageing schedule:

Particulars	Outstanding as on 31 st March 2025 for following periods from due date of payment						Outstanding as on 31 st March 2024 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	1,495.95	1,472.44	562.19	26.58	36.39	22.57	3,616.12	1,192.96	565.25	1,755.55	53.89	22.05	8.84	3,598.53
Others	17,930.11	38,198.07	4,509.84	577.64	2,139.11	513.20	63,867.97	33,886.56	29,200.69	10,214.21	2,905.98	16.77	4.59	76,228.80
Disputed dues – MSME	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	25.03	25.03	-	-	-	-	-	25.03	25.03
Total Trade Payables	19,426.06	39,670.51	5,072.03	604.22	2,175.50	560.80	67,509.12	35,079.52	29,765.94	11,969.76	2,959.87	38.82	38.45	79,852.36

*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. Refer Note 46 (xi) for details.

** The above balances include trade payables to related parties ₹ 825.41 Lakhs (₹ 1932.52 Lakhs as on 31 March 2024) Refer Note 39.

Notes to the Consolidated Financial Statements

26. Other current financial liabilities

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Financial liabilities at fair value through profit & loss		
Derivatives not designated in hedging relationship		
Foreign exchange derivative contracts	197.84	-
Other financial liabilities at amortised cost		
Unclaimed dividend*	586.09	533.54
Deposits received	5,997.37	6,123.03
Liability towards employee benefits	7,407.09	9,040.52
Creditors for capital goods**	28,247.36	13,070.08
Other payables	1,019.47	915.72
TOTAL	43,455.22	29,682.89

* These figures do not include any amounts due and outstanding to be credited to Investor Education and Protection Fund.

** Includes dues to Micro and Small Enterprises ₹ 97.92 Lakhs (₹ 571.97 Lakhs as on 31.04.2024), refer Note 46 (xi) for details.

27. Other current liabilities

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Advances from customers	1,624.21	1,459.22
Statutory dues	2,401.47	2,287.28
Income received in advance	7.10	6.38
Others #	914.68	1,558.40
TOTAL	4,947.46	5,311.28

Includes ₹ 738.19 Lakhs (₹ 578.41 Lakhs as at 31st March, 2024) towards unspent CSR Amount. (Refer note no. 43 Corporate Social Responsibility)

28. Provisions

(₹ in lakhs)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Provision for employee benefits		
Provision for Gratuity (Refer note 37)	2,905.13	2,905.99
Provision for Pension (Refer note 37)	2,803.20	4,073.99
Provision for Compensated absences*	5,143.19	5,769.73
Provision for PRMBS (Refer note 37)	305.79	296.77
Other Provision**	-	1,302.48
TOTAL	11,157.31	14,348.96

* 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.

** The group has surrendered its exemption status of two trusts i.e. BU & PU PF Trust to EPFO w.e.f. 01/09/2024, out of total four exempted PF Trusts. As a matter of prudence, the group had made a provision in view of uncertainties regarding recoverability of defaulted investments held by PF Trusts. The group has made good the losses towards all defaulted securities as per EPFO guideline, accordingly, the provision against the same is no longer required.

Notes to the Consolidated Financial Statements

29. Revenue from operations

(₹ in lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Revenue from sale of products (including subsidy on fertilizers)		
- Manufactured / Generated products	8,15,679.56	7,85,550.86
- Traded products	1,36,557.59	1,28,323.39
- Other Operating Revenue	603.45	710.17
- Sale of Service	555.17	879.98
TOTAL	9,53,395.77	9,15,464.41
Revenue from operation above includes:-		
Subsidy from Government of India under New Urea Policy/Nutrient Based Subsidy Scheme		
Pertaining to current year	3,72,308.58	3,69,492.27
Pertaining to earlier years determined during current year	1,027.54	(16,153.73)
TOTAL	3,73,336.12	3,53,338.54

30. Other income

(₹ in lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Interest		
Deposits:	15,462.81	14,223.39
Advances:	1,199.95	1,122.83
Others:	252.54	338.30
Dividend from long term investments	9,669.27	14,653.60
Rent	241.94	353.85
Insurance claims	477.99	279.68
Excess provision no longer required	1,734.15	5,263.57
Scrap sales	1,474.73	765.97
Profit on sale of fixed assets	80.87	17.52
Miscellaneous income	873.66	670.57
TOTAL	31,467.91	37,689.27

31. Cost of material consumed

(₹ in lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Raw Materials		
Opening stock	46,919.67	29,498.18
Add: Purchases	5,10,315.77	4,93,542.94
Less: Closing stock	57,578.46	46,919.67
TOTAL	4,99,656.98	4,76,121.45

Notes to the Consolidated Financial Statements

32. Changes in inventory of finished goods, work in process and stock in trade

(₹ in lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Opening 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
Less: Closing stock		
Finished products	39,050.42	40,179.70
Stock in trade	23,554.34	15,828.04
Work-in-process	2,649.05	3,023.22
	65,253.81	59,030.96
(Increase) / Decrease	(6,222.85)	18,831.11

33. Employee benefit expenses

(₹ in lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Salaries, wages, bonus	60,989.87	69,290.93
Contribution to provident, gratuity and superannuation (pension) funds (including provisions)	10,444.79	7,307.93
Staff Welfare expenses	9,920.83	8,383.67
TOTAL	81,355.49	84,982.53

- Employee benefit expenses includes R&D salary expenses of ₹ 1216.19 lakhs (previous year ₹ 1243.29 lakhs) (Refer note no. 42) and also includes remuneration to KMP amounting to ₹ 219.61 lakhs (previous year ₹ 228.21 lakhs) (Refer note no. 39)

34. Finance costs

(₹ in lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Interest		
- borrowings	357.24	114.53
- others	430.92	753.73
Other borrowing cost	220.59	251.25
TOTAL	1,008.75	1,119.51

Notes to the Consolidated Financial Statements

35. Other expenses

(₹ in lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Consumption of stores and spare parts	13,772.00	17,161.16
Water	3,745.68	3,516.74
Packing expenses	11,416.25	9,373.61
Repairs to buildings	210.10	553.39
Repairs to machinery	11,037.74	9,462.15
Other repairs	1,334.73	742.85
Insurance	1,344.16	1,761.95
Rent, rates and taxes	804.26	768.99
Product transportation, distribution & loading & unloading charges	37,553.48	28,523.60
Depots and farm information centers expense	1,957.56	3,386.15
Marketing expense reimbursement, demonstration, extension services and publicity etc.	914.35	1,424.28
Foreign exchange gain/loss (net)	1,367.12	194.40
Directors fees	14.53	13.83
Legal & Professional charges	757.88	830.45
Auditors' remuneration *	15.51	15.03
Cost auditors' fees	4.66	4.65
Loss on fixed assets sold/discarded	395.36	48.05
Allowance for doubtful debts	548.12	125.44
Amortisation of leasehold land	297.53	297.53
Donations and contributions	1,715.91	3,739.97
Miscellaneous	5,870.12	6,216.15
Impairment Loss	1,691.13	-
TOTAL	96,768.18	88,160.37
Other expenses includes R&D expenses of ₹ 41.76 lakhs (previous year ₹ 30.99 lakhs) in respective heads (Refer note no. 42)		

*Auditors' remuneration

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Payment to Statutory Auditors:		
For Statutory audit	3.44	3.30
For Taxation matters	2.05	1.94
For other services (including Limited Review fees & certification)	9.18	8.94
For Reimbursement of expenses	0.84	0.85
	15.51	15.03

Notes to the Consolidated Financial Statements

36. Earnings per share (EPS):

(₹ in lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
i. Profit attributable to Equity holders of the Company		
Profit attributable to equity holders of the Company		
Continuing operations	59,105.56	56,404.51
Discontinued operations	-	-
Profit attributable to equity holders of the Company for basic earnings	59,105.56	56,404.51
Effect of dilution	-	-
Profit attributable to equity holders of the Company adjusted for the effect of dilution	59,105.56	56,404.51
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 (₹)	14.83	14.16
Diluted EPS (₹)	14.83	14.16
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 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:

Expense towards Defined Contribution Plans have been recognised under "Contributions to Provident, Gratuity and Superannuation Fund (pension) Funds (including provisions)" in Note : 33 ₹ 5713.16 lakhs for FY 2024-25 (₹ 4789.50 lakhs for FY 2023-24).

Provident Fund contributions are made to the Employees' Provident Fund Organization (EPFO) for the Baroda Unit and Polymer Unit from 01/09/2024 as the Provident Fund trusts associated with these two units were surrendered with effect from 01/09/2024. Provident Fund contributions are made to remaining two trusts for Sikka Unit & Fibre Unit which are 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.

Notes to the Consolidated Financial Statements

37. Employment benefit plans (Contd...)

c) Defined Benefit plans:

A separate trust funds manage the Gratuity and Pension Plans. The expenses towards defined benefit plans are disclosed in Note No. 33 - "Employee Benefit Expenses" as under: # Pension & Gratuity are disclosed in line item - "Contribution to Provident Fund, and provision to Gratuity, Superannuation (Pension) Funds" # PRMBS is disclosed in line item - "Staff Welfare Expenses."

i) Details of funded & unfunded plans are as follows:

(₹ in lakhs)

Description	Pension		Gratuity		Gratuity		PRMBS	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
1. Changes In Present Value of obligation								
a. Obligation as at the beginning 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
b. Current Service Cost	967.86	784.62	1,911.39	1,583.40	14.77	16.45	175.92	188.84
c. Interest Cost	5,889.01	5,219.16	3,132.70	2,729.06	5.49	5.31	377.92	385.66
d. Actuarial (Gain)/Loss	4,229.57	19,564.71	2,262.45	9,837.31	(3.23)	(2.83)	242.20	212.47
e. Benefits Paid	(13,634.17)	(13,817.33)	(7,156.01)	(7,208.05)	(14.82)	(8.58)	(747.25)	(688.62)
f. Obligation as at the end of the year	78,792.17	81,339.91	43,479.70	43,329.16	86.76	84.56	5,268.69	5,219.91
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	64,623.47	70,384.11	33,060.67	34,855.60	-	-	-	-
b. Interest Income	4,678.74	5,278.81	2,390.29	2,614.18	-	-	-	-
c. Return on Plan Assets, Excluding Interest Income	480.31	(308.10)	(1.49)	(192.61)	-	-	-	-
d. Contributions	16,928.42	3,085.98	8,184.82	2,991.52	-	-	-	-
e. Benefits Paid	(13,634.17)	(13,817.33)	(7,156.01)	(7,208.02)	-	-	-	-
f. Fair Value of Plan Assets as at the end of the year	73,076.75	64,623.47	36,478.28	33,060.67	-	-	-	-
3. Amount Recognised In The Balance Sheet								
a. Fair Value of Plan Assets as at the end of the year	73,076.75	64,623.47	36,478.28	33,060.67	-	-	-	-
b. Present Value of Obligation as at the end of the year	(78,792.17)	(81,339.91)	(43,479.70)	(43,329.16)	(86.76)	(84.56)	(5,268.69)	(5,219.91)
c. Amount recognised in the Balance Sheet	(5,715.42)	(16,716.44)	(7,001.42)	(10,268.49)	(86.76)	(84.56)	(5,268.69)	(5,219.91)
4. Expense recognised in P & L during the year								
a. Current Service Cost	967.86	784.62	1,911.39	1,583.40	14.77	16.45	175.92	188.84
b. Net Interest Cost	1,210.27	(59.65)	742.41	114.88	5.49	5.31	377.92	385.66
c. Expense recognised during the year	2,178.13	724.97	2,653.81	1,698.28	20.26	21.75	553.84	574.50
5. Expense recognised in OCI during the year								
a. Return on Plan Assets, Excluding Interest Income	(480.31)	308.10	1.49	192.61	-	-	-	-
b. Actuarial (Gain)/Loss recognised on Obligation	4,229.57	19,564.71	2,262.45	9,837.31	(3.23)	(2.83)	242.20	212.47
c. Net (Income)/Expense recognised during the year	3,749.26	19,872.81	2,263.94	10,029.92	(3.23)	(2.83)	242.20	212.47
6. Investment Details of Plan Assets								
Administered by LIC of India	100%	100%	100%	100%	N.A.	N.A.	N.A.	N.A.
7. Weighted Average Duration of the Defined Benefit Obligation (In Years)	5.66	5.62	7.34	6.49	-	-	13.00	13.00

Notes to the Consolidated Financial Statements

37. Employment benefit plans (Contd...)

II) The principal assumptions used in determining above defined benefit obligations are shown below:

Description	Pension		Gratuity		Gratuity		PRMBS	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
a. Discount Rate (per annum)	7.05%	7.24%	6.79%	7.23%	6.55%	7.18%	7.05%	7.24%
b. Estimated Rate of return on Plan Assets (per annum)	7.05%	7.24%	6.79%	7.23%	NA	NA	NA	NA
c. Salary Escalation Rate (per annum)	NA	NA	NA	NA	5.22%	5.22%	NA	NA
d. Medical Cost Inflation (per annum)	NA	NA	NA	NA	NA	NA	4.00%	4.00%
e. Rate of Employee Turnover	2.00%	2.00%	2.00%	2.00%	-	-	2.00%	2.00%

f. The estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors.

g. The estimate of mortality rate during employment has been considered as per Indian Assured Lives Mortality (2006-08).

Maturity Profile	Pension		Gratuity		Gratuity		PRMBS	
	2024-25 Funded	2023-24 Funded	2024-25 Funded	2023-24 Funded	2024-25 Unfunded	2023-24 Unfunded	2024-25 Unfunded	2023-24 Unfunded
Projected benefit payable in future year from the date of reporting								
1 st Following year	11,988.72	13,071.11	6,558.43	7,064.01	17.76	21.32	305.78	296.77
2 nd Following year	8,101.90	7,201.10	4,014.64	3,659.21	13.86	12.52	318.50	310.19
3 rd Following year	9,910.08	11,716.50	4,875.79	5,628.92	12.35	11.77	327.59	323.69
4 th Following year	12,888.84	9,494.33	6,118.14	4,634.65	11.35	10.48	339.98	333.92
5 th Following year	12,588.90	11,833.26	5,985.37	5,625.67	9.74	9.35	352.19	347.18
Sum of year 6 to 10	32,802.57	40,436.92	16,339.72	19,593.15	29.96	28.60	1,869.46	1,890.67
Sum of year 11 and above	26,225.71	26,776.31	28,778.16	27,560.75	20.60	20.04	-	-

IV) A quantitative sensitivity analysis for significant assumption is as shown below:

(₹ in lakhs)

	2024-25			
	Pension Funded	Gratuity Funded	Gratuity Unfunded	PRMBS Funded
e) Effect of one percentage point change in the assumed Discount Rate				
a. One percentage point increase in Discount Rate	(3,252.01)	(5,156.54)	(3.02)	(528.41)
b. One percentage point decrease in Discount Rate	3,575.62	2,635.09	3.30	649.01
Effect of one percentage point change in the assumed Salary Escalation Rate				
a. One percentage point increase in Salary Escalation Rate	3,577.37	2,324.82	3.31	NA
b. One percentage point decrease in Salary Escalation Rate	(3,312.56)	(2,218.86)	(3.09)	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	NA	663.13
b. One percentage point decrease in medical inflation rate	NA	NA	NA	(547.15)

Notes to the Consolidated Financial Statements

37. Employment benefit plans (Contd...)

V) Details of funded & unfunded plans are as follows:

(₹ in lakhs)

Pension	2024-25	2023-24	2022-23	2021-22	2020-21
Net Asset/(Liability) recognised in Balance Sheet (including experience adjustment impact)					
1 Present Value of Defined Benefit Obligation	78,792.17	81,339.91	69,588.75	75,314.86	78,081.62
2 Fair Value of Plan Assets	73,076.75	64,623.47	70,384.11	65,815.54	48,748.23
3 Status [Surplus/(Deficit)]	(5,715.42)	(16,716.44)	795.36	(9,499.32)	(29,333.39)
4 Experience Adjustment of Plan Assets [Gain/(Loss)]	480.31	(308.10)	389.74	472.14	139.31
5 Experience/Assumptions Adjustment of obligation [(Gain)/Loss]	4,229.57	19,564.71	(2,071.65)	(71.50)	1,423.18
Gratuity	2024-25	2023-24	2022-23	2021-22	2020-21
Net Asset/(Liability) recognised in Balance Sheet (including experience adjustment impact)					
1 Present Value of Defined Benefit Obligation	43,566.46	43,413.72	36,461.66	38,281.68	39,557.57
2 Fair Value of Plan Assets	36,478.28	33,060.67	34,855.60	31,665.39	26,069.19
3 Status [Surplus/(Deficit)]	(7,088.19)	(10,353.05)	(1,606.06)	(6,616.29)	(13,488.38)
4 Experience Adjustment of Plan Assets [Gain/(Loss)]	(1.49)	(192.61)	(34.59)	102.27	324.74
5 Experience/Assumptions Adjustment of obligation [(Gain)/Loss]	2,259.23	9,834.48	(1,140.17)	(1,250.82)	(545.82)
PRMBS	2024-25	2023-24	2022-23	2021-22	2020-21
Net Asset/(Liability) recognised in Balance Sheet (including experience adjustment impact)					
1 Present Value of Defined Benefit Obligation	5,268.69	5,219.91	5,121.56	5,241.34	5,476.65
2 Fair Value of Plan Assets	-	-	-	-	-
3 Status [Surplus/(Deficit)]	(5,268.69)	(5,219.91)	(5,121.56)	(5,241.34)	(5,476.65)
4 Experience Adjustment of Plan Assets [Gain/(Loss)]	-	-	-	-	-
5 Experience/Assumptions Adjustment of obligation [(Gain)/Loss]	242.20	212.47	(49.17)	(117.76)	517.72

Notes to the Consolidated Financial Statements

38. Commitments and contingencies

a. Commitments

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
(i) Estimated amount of contracts remaining to be executed on capital accounts and not provided for	24,683.72	66,876.38

b. Contingent liabilities

(₹ in lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Claims against the Company not acknowledgement as debt		
(i) Excise and Customs duty	1,131.04	2,181.12
(ii) Central sales tax and value added tax	2,072.39	2,266.03
(iii) Income tax	932.06	19,334.61
(iv) Other	76,454.17	61,470.62
(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.

39. Related party transactions

(₹ in lakhs)

Name of the party (listed entity/ subsidiary)	Name of the Counterparty	Nature of Relationship	Nature of Transaction	2024-25	2023-24
GSFC LTD	Vadodara Enviro Channel Ltd.	Associate	Usage of effluent channel	288.62	622.44
			Outstanding balance-Payable	23.24	23.65
GSFC LTD	Gujarat Green Revolution Company	Associate	Expenses Recovered	217.35	323.07
			Dividend received/receivable	12.50	12.50
			Outstanding balance-Receiveable	22.22	122.33
GSFC LTD	Karnalyte Resources Inc.	Associate	Expenses Recovered	41.83	46.69
			Impairment of Investment	1,623.36	0.00
			Outstanding balance-Receiveable	7.63	7.75
GSFC LTD	Managing Director	Key Management Personnel	Remuneration	180.80	172.60
GSFC LTD	S K Bajpai(From 01.06.2024) / V D Nanavaty(upto 31.05.2024) – CFO		Interest Income	1.55	0.00
GSFC LTD	Nidhi Pillai - CS		Outstanding balance	34.04	0.00
GSFC LTD	Directors	Directors	Sitting Fees	14.53	13.82
GSFC LTD	Gujarat Alkalies and Chemicals Limited	Other related party	Purchase of Materials	2,287.63	2,320.97
			Expenses Recovered	33.80	22.55
			Dividend received/receivable	229.00	389.76
			Outstanding balance-Payable	134.19	143.96
			Outstanding balance-Receiveable	17.30	6.69
GSFC LTD	Tunisian Indian Fertilizer Company (TIFERT)	Other related party	Purchase of Material	22,223.95	18,096.42
			Advance to vendor	5,040.90	8,268.99
			Provision for Investment	151.33	154.41
			Expenses Recovered	0.00	11.38
			Outstanding balance-Receiveable	1,023.91	1,023.91
GSFC LTD	Gujarat State Petronet Ltd	Other related party	Fees for Services	222.16	816.01
			Outstanding balance-Payable	6.17	4.49

Notes to the Consolidated Financial Statements

39. Related party transactions (Contd...)

(₹ in lakhs)

GSFC LTD	GSFC Education Society	Other related party	Donation Granted	401.00	880.50
GSFC LTD	Gujarat Gas Ltd	Other related party	Income from Other Services	30.09	70.77
			Dividend received/receivable	2,655.00	3,119.81
			Outstanding balance-Payable	-11.59	-2.63
GSFC LTD	The Fertilizer Association of India	Other Related Party	Fees for Services	19.39	19.67
GSFC LTD	Gujarat Narmada Valley Fertilizers Company Limited	Other related party	Sale of Material	475.39	982.24
			Dividend received/receivable	4,816.00	9,233.75
			Outstanding balance-Payable	-0.06	-0.06
			Outstanding balance-Receivable	10.85	14.42
GSFC LTD	Gujarat Industries Power Company Limited.	Other related party	Sale of materials/Goods	0.00	3.24
			Dividend received/receivable	883.00	838.60
			Equity Participation	4,500.00	0.00
GSFC LTD	Gujarat State Petroleum Corporation Ltd.	Other Related Party	Purchase of Gas	36,314.95	36,610.74
			Fees for Services	0.59	0.80
			Outstanding balance-Payable	1,136.59	1,832.43
GSFC LTD	Indian Potash Ltd.	Other Related Party	Purchase of Material	556.78	7,784.53
			Dividend received/receivable	169.00	157.50
			Outstanding balance-Payable	8.70	8.70
GSFC LTD	GSFC Science Foundation	Other related party	Expenses Recovered	0.51	0.00
GSFC LTD	Gujarat Chemical Port Limited	Other related party	Dividend received/receivable	883.00	882.94
GSFC LTD	Gsfsc Employees PF Trust	Retiral Funds	Employer's contribution	1,386.08	3,584.29
	Fiber Unit Employees PF Trust			307.20	190.95
	Sikka Unit Employees PF Trust			300.44	207.15
	Polymer Unit Employees PF Trust			55.95	65.51
	Gsfsc Employees Gratuity Fund Trust			7,972.40	2,738.24
	Fiber Unit Gratuity Fund Trust			148.28	167.00
	Sikka Unit Gratuity Fund Trust			153.38	163.90
	Polymer Unit Gratuity Fund Trust			50.08	65.34
	Gsfsc Employees Pension Fund Trust			16,193.48	2,258.36
	Fiber Unit Employees Pension Fund Trust			242.62	277.68
	Sikka Unit Employees Pension Fund Trust			239.16	260.84
	Polymer Unit Staff Pension Fund Trust			62.88	92.36
GSFC Agrotech Limited	Gujarat Green Revolution Company	Associate Company of Holding Company	Sale of Services	360.88	416.79
			Outstanding balance-Receivable	332.90	321.79
GSFC Agrotech Limited	Gujarat Narmada Valley Fertilizers Company Limited	Related Party of Holding Company	Purchase of Materials	113.51	244.22
			Sale of Material	63.17	76.64
			Outstanding balance-Payable	-60.73	-1.52
			Outstanding balance-Receivable	11.51	7.42
GSFC Agrotech Limited	Indian Potash Limited	Related Party of Holding Company	Purchase of Materials	2,077.01	2,217.84
			Outstanding balance-Payable	-411.11	-76.50
GSFC Agrotech Limited	S K Mishra(upto31.01.2024)/ M.P.Punwar(From 01.02.2024), CEO	Key Management Personnel	Remuneration	38.82	55.61
GSFC Agrotech Limited	D. D. Bhalgamiya, CFO				
GSFC Agrotech Limited	Purvi Dani, CS				
GSFC Agrotech Limited	GSFC Education Society	Other Related Party	Donation Granted	10.41	22.44
GSFC Agrotech Limited	GSFC Science Foundation	Other Related Party	Expenses Recovered	12.35	12.39

Notes to the Consolidated Financial Statements

39. Related party transactions (Contd...)

(₹ in lakhs)

Vadodara Jal Sanchay Private Limited	Gujarat Alkalies and Chemicals Limited	Related Party of Holding Company	Equity	360.00	0.00
Vadodara Jal Sanchay Private Limited	Gujarat Industries Power Company Limited.	Related Party of Holding Company	Equity	360.00	0.00

- Please refer remuneration to Non-executive Directors under Managerial Remuneration point in Corporate Governance Report for Directors Sitting Fees.

Following are the list of Related Parties where Group has no transaction, except dividend during the year:

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	Gujarat Port & Logistic Company Limited	Subsidiary

Terms and conditions of transactions with related parties:

Transactions with key management personnel of the Company:

(₹ in lakhs)

Remuneration to key management personnel:	For the year ended	
	31-Mar-25	31-Mar-24
Short term employee benefits	185.35	193.82
Post employment benefits	19.59	20.14
Long-term employee benefits	14.68	14.26
TOTAL	219.62	228.21

40 Segment information

For management purposes, the group is organised into business units based on its products and has two reportable segments, as follows:

- Fertilizer products** comprising of Urea, Ammonium Sulphate, Di-ammonium Phosphate, Ammonium Phosphate Sulphate, NPK (12:32:16), (10:26:26), traded fertilizer products etc.
- 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-25	31-Mar-24
1 TOTAL SEGMENT REVENUE		
a) Fertilizer Products	7,33,185.20	6,83,462.26
b) Industrial Products	2,20,210.57	2,32,002.15
TOTAL	9,53,395.77	9,15,464.41
2 INTER SEGMENT REVENUE	-	-
3 EXTERNAL REVENUE (1 - 2)		
a) Fertilizer Products	7,33,185.20	6,83,462.26
b) Industrial Products	2,20,210.57	2,32,002.15
TOTAL	9,53,395.77	9,15,464.41

Notes to the Consolidated Financial Statements

	31-Mar-25	31-Mar-24
B] RESULT:		
1 Segment result		
a) Fertilizer Products	44,580.00	39,157.10
b) Industrial Products	5,600.79	1,566.34
TOTAL	50,180.79	40,723.44
2		
a) Unallocated income	30,293.26	35,494.13
b) Unallocated expenses	(3,838.49)	(4,718.19)
3 Operating Profit (B1 + B2)	76,635.56	71,499.38
4 Finance Cost	(1,008.75)	(1,119.51)
5 Provision for Taxation:		
Current Income Tax	(11,598.02)	(15,167.33)
Deferred Tax (net)	(5,565.91)	236.78
Earlier Year Tax	652.68	929.14
6 Net Profit	59,115.56	56,378.46
C] OTHER INFORMATION:		
1 Segment assets		
a) Fertilizer Products	4,20,771.62	3,96,769.50
b) Industrial Products	1,98,765.09	1,97,362.62
TOTAL	6,19,536.71	5,94,132.12
2 Unallocated corporate assets	8,17,364.19	9,10,937.08
3 Total Assets	14,36,900.90	15,05,069.20
4 Segment Liabilities		
a) Fertilizer Products	1,03,887.16	1,25,016.64
b) Industrial Products	47,073.77	49,888.21
TOTAL	1,50,960.93	1,74,904.85
5 Unallocated corporate liabilities	71,007.54	57,334.37
6 Total Liabilities	2,21,968.47	2,32,239.22
7 Capital Expenditure		
a) Fertilizer Products	31,651.10	10,175.47
b) Industrial Products	19,552.94	6,328.46
c) Corporate Capital Expenditure	9,463.17	2,486.87
TOTAL	60,667.21	18,990.80
8 Depreciation and Amortisation		
a) Fertilizer Products	9,994.38	9,379.52
b) Industrial Products	9,052.45	8,860.21
c) Unallocated corporate Depreciation	155.18	108.02
TOTAL	19,202.01	18,347.75
9 Non-Cash expenses		
a) Fertilizer Products	13,373.95	27,328.58
b) Industrial Products	6,146.90	18,841.19
c) Unallocated non-cash expenses	2,200.70	-
TOTAL	21,721.55	46,169.77

Notes to the Consolidated Financial Statements

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, 2025 is as follows. (₹ in lakhs)

Particulars	Carrying amount				Fair value			Total
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Financial assets								
Non-current investments	-	4,93,080.66	12,442.64	5,05,523.30	3,94,842.80	-	98,237.86	4,93,080.66
Other Non-current financial asset	-	-	8,721.47	8,721.47	-	-	-	-
Trade receivables	-	-	53,660.70	53,660.70	-	-	-	-
Government subsidy receivable	-	-	1,08,747.44	1,08,747.44	-	-	-	-
Cash and cash equivalents	-	-	28,544.74	28,544.74	-	-	-	-
Other bank balances	-	-	1,62,182.67	1,62,182.67	-	-	-	-
Current loans	-	-	28,355.50	28,355.50	-	-	-	-
Derivative financial instruments	-	-	-	-	-	-	-	-
Other Current financial asset	-	-	7,984.60	7,984.60	-	-	-	-
	-	4,93,080.66	4,10,639.76	9,03,720.42	3,94,842.80	-	98,237.86	4,93,080.66
Financial liabilities								
Current borrowings	-	-	-	-	-	-	-	-
Lease Liabilities	-	-	176.44	176.44	-	-	-	-
Trade payables	-	-	67,509.13	67,509.13	-	-	-	-
Other current financial liabilities	-	-	43,257.38	43,257.38	-	-	-	-
Derivative financial instruments	197.84	-	-	197.84	-	197.84	-	197.84
	197.84	-	1,10,942.95	1,11,140.79	-	197.84	-	197.84

The carrying value of financial instruments by categories as of 31st March, 2024 is as follows. (₹ in lakhs)

Particulars	Carrying amount				Fair value			Total
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
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	-	-	-	-

Notes to the Consolidated Financial Statements

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)
	31-03-2025	31-03-2024		
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 ₹ 3,94,842.80 Lakhs	Listed equity securities in various companies engaged in fertilizer, chemicals, finance, gas, power and mining industry aggregate fair value of ₹ 4,88,458.82 Lakhs	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
		31-03-2025	31-03-2024			
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 ₹ 72,292.50 Lakhs	Investment in companies engaged in business of fertilizers industry - aggregate fair value of ₹ 74,770.43 Lakhs	Level 3	Market Discount ranging from 15% to 25% (As at 31.3.24, from 15% to 25%)	Increasing/Decreasing the Market Multiples by probability weighted range, would change the FV by +INR 3150.00 lakhs & -INR 3487.50 lakhs (As at 31.3.24, +INR 3519.00 lakhs & -INR 3903.30 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 ₹ 21,583.16 Lakhs	Investment in companies engaged in business of storage facilities - aggregate fair value of ₹ 21,092.63 Lakhs	Level 3	Market Discount ranging from 10% to 20% (As at 31.3.24 from 10% to 20%)	Increasing/Decreasing the Market Multiples by probability weighted range, would change the FV by +INR 1263.11 lakhs & -INR 1275.37 lakhs (As at 31.3.24, +INR 1256.97 lakhs & -INR 1226.32 lakhs)

Notes to the Consolidated Financial Statements

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 ₹ 226.20 Lakhs	Investment in companies engaged in power and finance industry - aggregate fair value of ₹ 189.63 Lakhs	Level 3	Discount to Book Value ranging from 15% to 30% (As at 31.3.24 from 15% to 30%)	Increasing/Decreasing the Discounting Factor by probability weighted range, would change the FV by +INR 25.40 lakhs & -INR 25.30 lakhs (As at 31.3.24, +INR 22.01 lakhs & -INR 20.83 lakhs)
(Refer Note below)	Investment in company engaged in the business of gas marketing - aggregate fair value of ₹ 4,136.00 Lakhs	Investment in company engaged in the business of gas marketing - aggregate fair value of ₹ 4,117.20 Lakhs	Level 3	10% +/- over base value(As at 31.3.24, 10% +/- over base value)	10% increase/Decrease over base value, would change FV by +INR 361.90 lakhs & -INR 361.90 lakhs. (As at 31.3.24, +INR 371.30 lakhs & -INR 373.65 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. In light of no information available for future projections, capacity utilisation, commencement of operations, etc., the valuation is based on cost approach.

Financial assets / financial liabilities	Fair Value (₹ In Lakhs) as at		Fair Value hierarchy
	31.03.2025	31.03.2024	
3) Investments at FVTPL (quoted) (see note 7)	Listed equity securities in debentures & other quoted investment aggregate fair value is Nil	-	Level 3

ii) Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the current and previous FY.

Notes to the Consolidated Financial Statements

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)

Particulars	Equity securities
Opening Balance (1 April 2024)	1,00,169.88
Net change in fair value (unrealised)	(1,932.02)
Purchases	-
Closing Balance (31 March 2025)	98,237.86

Transfer out of Level 3

There were no transfers to/from level 3 during the current and previous FY.

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 management framework

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.

Notes to the Consolidated Financial Statements

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	2.23%
181-270 days past due	7.29%
270-360 days past due	16.69%
360-450 days past due	32.51%
450-540 days past due	51.21%
540-630 days past due	71.87%
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	
	31-03-2025	31-03-2024
less than 6 Months	1,38,933.21	1,15,840.20
past due 6 Months - 1 Year	9,200.35	19,405.97
past due 1 Year - 2 Year	3,273.38	10,968.78
past due 2 Year - 3 Year	424.43	1,983.69
past due more than 3 Year	10,576.76	10,368.82
	1,62,408.13	1,58,567.47

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 31-03-2025	Year ended 31-03-2024
Balance at the beginning of the year	7,092.01	7,044.36
Movement in the expected credit loss allowance on trade & other receivables calculated at lifetime expected credit losses Past due.	(405.52)	47.65
	6,686.49	7,092.01

During the FY 2024-25, impairment provision has reduced by INR 405.53 Lakhs whereas in FY 2023-24, impairment provision has increased by INR 47.65 Lakhs.

Cash and cash equivalents

The Group held cash and cash equivalents of ₹ 28,544.74 Lakhs at March 31, 2025 (₹ 53,259.28 Lakhs at March 31, 2024). 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.

Notes to the Consolidated Financial Statements

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 31-03-2025	As at 31-03-2024
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	85,000.00	84,749.55

Exposure to liquidity risk

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payment as at 31st March, 2025

(₹ in lakhs)

March 31, 2025	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	176.44	109.23	53.29	13.92	-
Trade payables	67,509.13	67,509.13	-	-	-
Other current financial liabilities	43,257.38	43,257.38	-	-	-
Derivative financial liabilities					
Derivative contracts					
- Outflow	197.84	197.84	-	-	-

Notes to the Consolidated Financial Statements

March 31, 2024	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	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	-	-	-	-	-

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, 2025			
	INR	USD ¹	CAD ¹	Others ¹
Financial assets				
Cash and cash equivalents	28,544.74	-	-	-
Other bank balances	1,62,182.67	-	-	-
Non-current investments	5,02,481.84	-	3,041.46	-
Current loans and advances	28,355.50	-	-	-
Trade and other receivables	1,58,925.52	3,482.62	-	-
Derivative assets	-	-	-	-
Other Non-Current financial assets	8,721.47	-	-	-
Other Current financial assets	7,984.60	-	-	-
	8,97,196.34	3,482.62	3,041.46	-

Notes to the Consolidated Financial Statements

Financial liabilities				
Short term borrowings	-	-	-	-
Lease Liabilities	176.44	-	-	-
Trade and other payables	53,960.98	13,443.22	-	104.92
Derivative liabilities	-	197.84	-	-
Other Current financial liabilities	43,196.24	-	-	61.14
	97,333.66	13,641.06	-	166.06

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

1 - The figures are in INR Equivalent of respective currency

The following significant exchange rates have been applied during the year.

INR	Year-end spot rate	
	March 31, 2025	March 31, 2024
USD	85.58	83.37

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.

Effect in INR	31-Mar-25		31-Mar-24	
	Strengthening	Weakening	Strengthening	Weakening
10% movement				
USD	639.96	137.98	2,149.06	(1,228.04)

Notes to the Consolidated Financial Statements

Changes in Financial Liabilities arising from Financing Activities as required under IND AS 7

Reconciliation of Short Term Borrowings	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Opening Balance	250.45	-
Cash flow changes in short term borrowing (Net)	(250.45)	250.45
Closing Balance	-	250.45

Reconciliation of Lease Liabilities	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Opening Balance	260.42	238.85
Add: Additions	50.91	142.35
Add: Interest recognised during the year	25.30	32.73
Less: Lease Termination	17.89	11.78
Less: Payment Made	142.30	141.73
Closing Balance	176.44	260.42

42. Research & Development Expenses

(₹ in lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Capital*	26.19	59.07
Recurring**	1,257.95	1,274.28
Total	1,284.14	1,333.35
*Capital Expenses included in PPE Note No. 5	26.19	59.07
**Recurring Expenses included in		
Note No. 33 Employee Benefit expenses	1,216.19	1,243.29
Note No. 35 Other expenses	41.76	30.99

43. Corporate Social Responsibility

(₹ in lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
a) Amount required to be spent by the company during the year	2,206.35	2,159.28
b) Amount of expenditure incurred #	1,468.15	1,580.87
c) Shortfall at the end of the year *	738.19	578.41
d) Total of previous year shortfall	-	-
e) Reason for shortfall	Ongoing Projects	Ongoing Projects
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)**	410.41	902.94
h) Provision is made with respect to a liability incurred by entering into a contractual obligation	NA	NA

Notes to the Consolidated Financial Statements

* As at March 31, 2025, ₹ 738.19 lakhs (₹ 578.41 Lakhs as at 31st March, 2024) (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)

₹ 1,468.15 lakhs includes ₹ 977.71 Lakhs accounted under the head Donations and Contributions in Other Expenses (Note No. 35), ₹ 490.44 Lakhs accounted under various other heads of the Statement of Profit & Loss. (In FY 23-24, ₹ 1,580.87 lakhs included ₹ 1,144.57 Lakhs accounted under the head Donations and Contributions in Other Expenses, ₹ 229.46 Lakhs under various other heads of the Statement of Profit & Loss and ₹ 206.84 Lakhs set-off from excess CSR spending during earlier years.)

** 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 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.

- (i) Outstanding forward exchange contracts entered into by the Company as on 31 March, 2025

Currency	Amount (in Mn)	Buy / Sell	Cross currency
USD	11.00	Buy	Rupees
USD	(8.00)	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	11.07	Buy	Rupees
USD	(3.73)	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 2.94 Mn (As at March 31, 2024: USD 20.27 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:

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Revenue from Contract with Customers	5,80,059.65	5,62,125.86
Revenue from Subsidy from Government	3,73,336.12	3,53,338.54
Total Revenue	9,53,395.77	9,15,464.41

The break-up of Revenue from Contract with Customers is as under:

(A) Revenue from Contract with Customers – Segment-wise

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Fertilizer Products	7,33,185.20	6,83,462.26
Industrial Products	2,20,210.57	2,32,002.15
Total Revenue	9,53,395.77	9,15,464.41

Notes to the Consolidated Financial Statements

(B) Revenue from Contract with Customers – Activity-wise

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Revenue generated from Manufacturing Activity	8,15,679.56	7,85,550.86
Revenue generated from Trading Activity	1,36,557.59	1,28,323.39
Revenue generated from Other Operating Activity	603.45	710.17
Revenue generated from Sale of Service	555.17	879.98
Total Revenue	9,53,395.77	9,15,464.41

(C) Contract Liability:

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Opening Balance of Contract Liability	1,459.22	1,860.89
Revenue Recognised from the opening balance of contract liability	1,459.22	1,860.89
Current year Contract liability - Carried Forward	1,624.21	1,459.22
Closing Balance of Contract Liability	1,624.21	1,459.22

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 identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 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.

Notes to the Consolidated Financial Statements

- 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)
- xi. **Details of outstanding towards MSMED, consisting of Micro and Small Enterprises falling under either Trade Payables (Note 25) or Creditors for Capital Goods (Note 26) :**

Particulars	As at 31 st March 2025	As at 31 st March 2024
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	3,714.04	4,170.50
(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	35.00	NIL
(iv) The amount of interest due and payable for the year	10.09	7.50
(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

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 2025 (₹ Lakhs)	Balance Outstanding as at March 2024 (₹ 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 AGRICUL.SERV. (P)LTD.MYSORE		NA	0.25	0.28

* Company has created provision for doubtful debts for these debtors.

Notes to the Consolidated Financial Statements

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, 2025.
- (ii) Previous year figures are regrouped / reclassified wherever required in order to make it comparable.
- (iii) 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 20th May, 2025 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 2025 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 st March, 2025	31 st March, 2024	
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 2025 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	
					31 st March, 2025	31 st March, 2024	31 st March, 2025	31 st March, 2024
Vadodara Enviro Channel Limited (note 1)	India	28.57%	Associate	Equity Method	25.88	91.78	*	*
Gujarat Green Revolution Company Limited (note 2)	India	46.87%	Associate	Equity Method	12,416.76	11,192.13	*	*
Karnalyte Resources Inc (note 3) #	Canada	47.73%	Associate	Equity Method	-	1,623.36	2,458.81	3,941.08
Total equity accounted investments					12,442.64	12,907.27	2,458.81	3,941.08

* 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.

Notes to the Consolidated Financial Statements

Commitments and contingent liabilities in respect of associates

(₹ in Lakhs)

Particulars	31 st March, 2025	31 st March, 2024
Contingent liabilities - associates	10,451.13	10,310.80

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-Mar-25			31-Mar-24		
	KRI #	VECL	GGRCL	KRI	VECL	GGRCL
Total current assets	740.15	3,115.38	1,03,771.98	1,683.38	3,125.84	86,935.14
Total non-current assets	3413.73	1,492.40	1,359.42	3,509.31	1,732.29	1,399.20
Total current liabilities	435.63	411.56	78,400.01	354.53	765.74	64,235.17
Total non-current liabilities	778.81	468.05	164.83	817.52	415.27	145.36
Adjustment-Member' Capital Contribution & Capital Reserve	-	3,988.82	-	-	3,988.82	-
Net Assets	2,939.43	(260.65)	26,566.56	4,020.64	(311.70)	23,953.81

Reconciliation to carrying amounts

(₹ in Lakhs)

Particulars	31-Mar-25			31-Mar-24		
	KRI #	VECL	GGRCL	KRI	VECL	GGRCL
Net assets	2,939.43	(260.65)	26,566.56	4,020.64	(311.70)	23,953.81
Company's Share in %	47.73%	28.57%	46.87%	47.73%	28.57%	46.87%
Company's Share in ₹ lakh	1,403.11	(74.47)	12,452.12	1,919.21	(89.05)	11,227.49
Adjustment	(1,403.11)	100.34	(35.36)	(295.85)	180.83	(35.36)
Carrying amount	-	25.88	12,416.76	1,623.36	91.78	11,192.13

Summarised statement of profit and loss

(₹ in Lakhs)

Particulars	31-Mar-25			31-Mar-24		
	KRI #	VECL	GGRCL	KRI	VECL	GGRCL
Revenue	-	1,333.50	749.52	-	1,446.78	839.91
Profit for the year	(958.58)	(128.80)	2,650.81	(896.78)	5.67	2,650.86
Other comprehensive income	-	-	(11.40)	-	1.89	(2.82)
Total comprehensive income	(958.58)	(128.80)	2,639.41	(896.78)	7.56	2,648.04
Dividend received	-	-	12.50	-	-	12.50

Carrying amount of KRI is NIL as on 31s March 2025, accordingly Group's share of loss is not recognised. Refer Note 7 (g)

Notes to the Consolidated Financial Statements

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 2025	98.25%	11,92,563.89	98.28%	58,089.62	99.99%	(1,01,987.30)	102.36%	(43,897.68)
31 March 2024	98.48%	12,53,410.72	99.15%	55,977.09	100.00%	52,154.36	99.56%	1,08,131.45
Subsidiaries								
Indian								
GSFC Agrotech Limited								
31 March 2025	0.50%	6,129.49	-0.32%	(187.99)	0.00%	2.42	0.43%	(185.57)
31 March 2024	0.50%	6,315.06	-0.62%	(348.81)	0.00%	2.12	-0.32%	(346.69)
Vadodara Jal Sanchay Private Limited								
31 March 2025	0.13%	1,543.54	0.01%	4.07	0.00%	-	-0.01%	4.07
31 March 2024	0.01%	124.38	0.01%	3.07	0.00%	-	0.00%	3.07
Gujarat Port and Logistics Company Limited								
31 March 2025	0.01%	83.52	0.02%	10.97	0.00%	-	-0.03%	10.97
31 March 2024	0.01%	72.55	-0.07%	(42.15)	0.00%	-	-0.04%	(42.15)
Non Controlling Interest in above subsidiaries								
31 March 2025	0.09%	1,084.68	0.02%	10.01	0.00%	-	-0.02%	10.01
31 March 2024	-0.01%	131.27	-0.05%	(26.05)	0.00%	-	0.02%	(26.05)
Associates (Investments as per the equity method)								
Indian								
Vadodara Enviro Channel Limited								
31 March 2025	0.00%	25.88	-0.11%	(63.61)	0.00%	-	0.15%	(63.61)
31 March 2024	0.01%	91.78	0.04%	25.31	0.00%	-	0.02%	25.31
Gujarat Green Revolution Company Limited								
31 March 2025	1.02%	12,416.76	2.10%	1,242.47	0.01%	-7.63	-2.88%	1,234.84
31 March 2024	0.88%	11,192.13	2.21%	1,244.12	0.00%	-1.32	1.14%	1,242.80
Foreign								
Karnalyte Resources Inc.								
31 March 2025	0.00%	-	0.00%	-	0.00%	-	0.00%	-
31 March 2024	0.13%	1,623.36	-0.76%	(428.07)	0.00%	-	-0.39%	(428.07)
Total								
31 March 2025	100.00%	12,13,847.75	100.00%	59,105.55	100.00%	(1,01,992.51)	100.00%	-42,886.97
31 March 2024	100.00%	12,72,961.25	100.00%	56,404.51	100.00%	52,155.16	100.00%	1,08,559.67

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)

S. K. Bajpai
SVP (Finance & Legal) & CFO

Tapan Ray
Director
(DIN-00728682)

Nidhi Pillai
Company Secretary

Gandhinagar
20th May, 2025

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 31.03.2025)	20,00,00,000
6	Reserves & surplus (as on 31.03.2025)	41,29,47,534
7	Total assets (as on 31.03.2025)	1,21,60,88,270
8	Total Liabilities (as on 31.03.2025)	60,31,40,759
9	Investments (as on 31.03.2025)	-
10	Turnover (FY 2024-25)	3,48,94,51,144
11	Profit before taxation (FY 2024-25)	(3,57,35,637)
12	Provision for taxation (FY 2024-25)	(1,69,33,701)
13	Profit after taxation (FY 2024-25)	(1,88,01,936)
14	Proposed Dividend (FY 2024-25)	Not available
15	% of shareholding (as on 31.03.2025)	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)

S. K. Bajpai
SVP (Finance & Legal) & CFO

Tapan Ray
Director
(DIN-00728682)

Nidhi Pillai
Company Secretary

Gandhinagar
20th May, 2025

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	31 st March, 2024	31 st March, 2024	Not available	31 st December, 2024
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	(74,47,169)	Not available	13,98,69,567
	(ii) Networth attributable to Shareholding as per unaudited Balance sheet as on 31/03/2025 (₹)	1,24,52,12,412	(1,11,27,140)	Not available	14,03,10,796
6	Unaudited Profit / Loss for the FY 2024-25 (₹)	26,50,81,000	(1,28,79,897)	Not available	(9,58,57,540)
	i. Considered in Consolidation (₹)	26,50,81,000	(1,28,79,897)	Not available	-
	ii. Not Considered in Consolidation (₹)	-	-	Not available	(9,58,57,540)

Carrying amount of KRI is NIL as on 31s March 2025, accordingly Group's share of loss is not recognised. Refer Note 7 (g)

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

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)

S. K. Bajpai
SVP (Finance & Legal) & CFO

Tapan Ray
Director
(DIN-00728682)

Nidhi Pillai
Company Secretary

Gandhinagar
20th May, 2025



NOTES

This image shows a full page of blank, lined paper. It features approximately 20 evenly spaced horizontal grey lines across its entire width, providing a template for writing or drawing. The margins are consistent on all sides.



GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED

CIN : L99999GJ1962PLC001121

Fertilizernagar - 391 750, Vadodara, Gujarat, India.

www.gsfclimited.com

Follow Us on     