नेशनल फर्टिलाइज़र्स लिमिटेड
(भारत सरकार का उपक्रम)
कॉरपोरेट कार्यालय : ए–11, सैक्टर–24, नोएडा – 201301
जिला गौतम बुद्ध नगर (उ.प्र.),
दूरभाष : 0120-2412294, 2412445, फैक्स : 0120-2412397

A Navratna Company

NATIONAL FERTILIZERS LIMITED
(A Govt. Of India Undertaking)
Corportate Office : A-11, Sector-24, Noida-201301,
Distt. Gautam Budh Nagar (U.P.)
Ph.: 0120-2412294, 2412445, Fax : 0120-2412397

Ref. No. NFL/SEC/SE/1826 **Dated: 02.09.2025**

National Stock Exchange of India Ltd. **Exchange Plaza,** **C-1, Block-G, Bandra Kurla** **Complex, Bandra (E),** **Mumbai-400051**	**BSE Limited** **Corporate Relationship Department,** **1st Floor, New Trading Wing, Rotunda** **Building, Phiroze Jeejeebhoy Towers,** **Dalal Street, Mumbai- 400001**
NSE Symbol: NFL	**BSE Script Code: 523630**

Sub: 51st Annual General Meeting Notice and Annual Report for Financial Year 2024-25.

Dear Sir,

This is in continuation to our earlier communication dated 14.08.2025 regarding holding of 51st Annual General Meeting of the Company on Monday, **29th September, 2025 at 2:30 P.M. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").**

Pursuant to Regulation 30 read with Part A of Schedule III and Regulation 34 of SEBI (LODR) Regulations 2015, we are enclosing herewith the Notice of 51st AGM and the Annual Report for the Financial Year 2024-25.

The Annual Report 2024-25 along with AGM Notice is also available on the website of the Company at www.nationalfertilizers.com.

This is submitted for your intimation and records.

Thanking you,

Yours faithfully,
For National Fertilizers Limited

ASHOK JHA

Digitally signed by ASHOK JHA
DN: c=IN, o=Personal, title=1657, pseudonym=bkxw2geovc36rmhajfz9qn50sd4lyi8, 2.5.4.20=2538b10a752d2a598ee742f34f938161c3f2d22ad8f83c628c47d0bc3eb3ac36, postalCode=201306, st=Uttar Pradesh, serialNumber=6a5684a3bd1fc754a498028a88bdbe1eaff0eaab50f18d54d5ca92fe9211ea70, cn=ASHOK JHA
Date: 2025.09.02 12:14:53 +05'30'

(Ashok Jha)
Company Secretary

Encl: As above.

NATIONAL FERTILIZERS LIMITED

CIN: L74899DL1974GOI007417
Registered Office: Scope Complex, Core-III, 7, Institutional Area,
Lodhi Road, New Delhi – 110003.
Website: www.nationalfertilizers.com | **Email:** investor@nfl.co.in
Tel: 011-24360066, 0120-2412294, **Fax:** 011-24361553



NOTICE is hereby given that the 51st Annual General Meeting of the Members of National Fertilizers Limited will be held on Monday, the 29th day of September, 2025 at 2:30 PM IST through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements including Consolidated Financial Statements of the Company for the financial year ended March 31, 2025 together with the Board's Report and the Auditors' Report thereon and comments of the Comptroller & Auditor General of India, in terms of Section 143(6) of the Companies Act, 2013.

2. To declare final dividend of ₹ 1.56 per equity share for the financial year ended March 31, 2025.

3. To appoint a Director in place of Dr. U. Saravanan (DIN: 07274628), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

4. To appoint a Director in place of Shri Hira Nand (DIN: 09476034), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

5. To authorize Board of Directors of the Company to fix the remuneration of the Statutory Auditor(s) of the Company in terms of the provisions of Section 142(1) of the Companies Act, 2013 and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:-**

   "RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to decide and fix the remuneration of the Statutory Auditor(s) of the Company appointed/ to be appointed by Comptroller and Auditor General of India for the Financial Year 2025-26 as may be deemed fit by the Board."

SPECIAL BUSINESS

6. To ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2026, and in this regard to consider and if thought fit, to pass following resolution as an **Ordinary Resolution**:-

   "RESOLVED THAT pursuant to the provision of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof), the remuneration payable to Cost Auditors M/s Dhananjay V. Joshi & Associates, M/s K. L. Jaisingh & Co, M/s Diwanji & Associates and M/s Typsgo & Co. who have been appointed by the Board as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31.03.2026 amounting to ₹ 1,35,000/-, ₹ 67,500/-, ₹ 67,500/- and ₹ 67,500/- plus GST respectively and additional fee of ₹ 30,000/- plus GST payable to M/s Dhananjay V. Joshi & Associates as lead Cost Auditor, and reimbursement of travelling and local transport expenses, be and is hereby ratified.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary to give effect to this resolution."

7. To appoint the Secretarial Auditor and in this regard to consider and if thought fit, to pass following resolution as an **Ordinary Resolution:-**

   "RESOLVED THAT pursuant to the provisions of Section 204 of the Companies Act, 2013, and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Regulation 24A 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, M/s Agarwal S. & Associates, a firm of Practicing Company Secretaries (firm registration no. P2003DE049100), be and is hereby appointed as the Secretarial Auditor of the Company, for a term of five consecutive financial years commencing from April 1st, 2025 till March 31st, 2030, at remuneration as approved by the Board of Directors of the Company.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary to give effect to this resolution."

8. To appoint Shri Bharat Bhushan (DIN: 03259509), as Government Nominee Director of the Company and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:-**

   "RESOLVED THAT pursuant to the provisions of Section 152, 161 of the Companies Act, 2013, Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification thereof) and other applicable provisions read with the Articles of Association of the Company, Shri Bharat Bhushan (DIN: 03259509), who was appointed as Government Nominee Director, by the President of India through Department of Fertilizers, Ministry of Chemicals & Fertilizers, Government of India vide Order No. 95/1/2019-HR-PSU (Part -2) (e-31042) dated 01.11.2024 and subsequently appointed as an Additional Director in terms of Section 161 of the Companies Act, 2013 under the category Non-Executive Director (Government Nominee) by the Board of Directors with effect from 07.11.2024 and in respect of whom the Company has received a notice under Section 160 of Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as Government Nominee Director of the Company, liable to retire by rotation, on such terms & conditions as may be fixed by the Government of India."

9. To appoint Shri Mahesh Chander Gupta (DIN: 10996394), as Director (Marketing) of the Company and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:-**

   "RESOLVED THAT pursuant to the provisions of Section 152, 161 of the Companies Act, 2013,

Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification thereof) and other applicable provisions read with the Articles of Association of the Company, Shri Mahesh Chander Gupta (DIN: 10996394), who was appointed as Director (Marketing), by the President of India through Department of Fertilizers, Ministry of Chemicals & Fertilizers, Government of India vide Order No. 82/1/2021-HR-PSU (Part-1) (e-36198) dated 07.03.2025 and subsequently appointed as an Additional Director in terms of Section 161 of the Companies Act, 2013 under the category Director (Marketing) by the Board of Directors with effect from 11.03.2025 and in respect of whom the Company has received a notice under Section 160 of Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as Director (Marketing) of the Company, liable to retire by rotation, on such terms & conditions as may be fixed by the Government of India."

10. To appoint Ms. Ritu Goswami (DIN: 10463372), as Director (Technical) – Additional Charge of the Company and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:-**

"RESOLVED THAT pursuant to the provisions of Section 152, 161 of the Companies Act, 2013, Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification thereof) and other applicable provisions read with the Articles of Association of the Company, Ms. Ritu Goswami (DIN: 10463372), who was appointed as Director (Technical) – Additional Charge, by the Competent Authority, Department of Fertilizers, Ministry of Chemicals & Fertilizers, Government of India vide Order No. 82/1/2017-HR PSU (Part-1) (e-31527) dated 18.07.2025 and subsequently appointed as an Additional Director in terms of Section 161 of the Companies Act, 2013 under the category Director (Technical) – Additional Charge, by the Board of Directors with effect from 22.07.2025 for a period of Six Months or until further orders, whichever is the earlist and in respect of whom the Company has received a notice under Section 160 of Companies Act, 2013 proposing her candidature for the office of Director, be and is hereby appointed as Director (Technical) – Additional Charge of the Company, liable to retire by rotation, on such terms & conditions as may be fixed by the Government of India."

11. To appoint Shri Jyoti Bhramar Tubid (DIN: 02442295) as Non-Official Independent Director on the Board of the Company and in this regard to consider and if thought fit, to pass the following resolution as a **Special Resolution:-**

"RESOLVED THAT pursuant to the provisions of Section 149, 152, 161, Schedule IV and all other applicable provisions of the Companies Act, 2013 read with Rules made thereunder, Regulation 17 & 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Articles of Association of the Company, Shri Jyoti Bhramar Tubid (DIN: 02442295), who was appointed as Non-Official Independent Director, by the Competent Authority, Department of Fertilizers, Ministry of Chemicals & Fertilizers, Government of India vide Letter No. 95/01/2025-HR-PSU (e-38792) dated 5th May, 2025 and subsequently appointed as an Additional Director (Non-Official Independent Director) by the Board of Directors with effect from 05.05.2025 and in respect of whom the Company has received a notice under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as Non-Official Independent Director of the Company, not liable to retire by rotation, for a period of one (01) year w.e.f. 05.05.2025."

12. To appoint Shri Rabi Ranjan Sen (DIN: 09400040) as Non-Official Independent Director on the Board of the Company and in this regard to consider and if thought fit, to pass the following resolution as a **Special Resolution:-**

"RESOLVED THAT pursuant to the provisions of Section 149, 152, 161, Schedule IV and all other applicable provisions of the Companies Act, 2013 read with Rules made thereunder, Regulation 17 & 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Articles of Association of the Company, Shri Rabi Ranjan Sen (DIN: 09400040), who was appointed as Non-

Official Independent Director, by the Competent Authority, Department of Fertilizers, Ministry of Chemicals & Fertilizers, Government of India vide Letter No. 95/01/2025-HR-PSU (e-38792) dated 5th May, 2025 and subsequently appointed as an Additional Director (Non-Official Independent Director) by the Board of Directors with effect from 05.05.2025 and in respect of whom the Company has received a notice under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as Non-Official Independent Director of the Company, not liable to retire by rotation, for a period of one (01) year w.e.f. 05.05.2025."

13. To appoint Ms. Pinky Pradhan (DIN: 10222011) as Non-Official Independent Director on the Board of the Company and in this regard to consider and if thought fit, to pass the following resolution as a **Special Resolution:-**

"RESOLVED THAT pursuant to the provisions of Section 149, 152, 161, Schedule IV and all other applicable provisions of the Companies Act, 2013 read with Rules made thereunder, Regulation 17 & 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Articles of Association of the Company, Ms. Pinky Pradhan (DIN: 10222011), who was appointed as Non-Official Independent Director, by the Competent Authority, Department of Fertilizers, Ministry of Chemicals & Fertilizers, Government of India vide Letter No. 95/01/2025-HR-PSU (e-38792) dated 22nd May, 2025 and subsequently appointed as an Additional Director (Non-Official Independent Director) by the Board of Directors with effect from 23.05.2025 and in respect of whom the Company has received a notice under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director, be and is hereby appointed as Non-Official Independent Director of the Company, not liable to retire by rotation, for a period of three (03) years w.e.f. 23.05.2025."

By Order of the Board of Directors
For National Fertilizers Limited

Ashok Jha
Company Secretary
A-14100

Registered Office:
Scope Complex, Core-III,
7, Institutional Area, Lodhi Road
New Delhi-110003.

Date: 29th August, 2025

NOTES:

1. The Ministry of Corporate Affairs ("MCA") has vide its General Circular no. 20/2020 dated May 5, 2020 in relation to clarification on holding of annual general meeting ('AGM') through video conferencing ('VC') or other audio visual means ('OAVM') read with General Circular no. 14/2020 dated April 8, 2020, General Circular no. 17/2020 dated April 13, 2020, General Circular No.02/2021 dated January 13, 2021, General Circular No. 19/2021 dated December 08, 2021, General Circular No. 21/2021 dated December 14, 2021, General Circular No. 2/2022 dated May 05, 2022, General Circular No. 10/2022 dated December 28, 2022, General Circular No. 09/2023 dated September 25, 2023 and General Circular 09/2024 dated September 19, 2024 (collectively referred to as "MCA Circulars") and the Securities and Exchange Board of India ('SEBI') vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023, Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 (collectively referred to as 'SEBI Circulars') has permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the 51st AGM of the Company is being held through VC/OAVM. The deemed venue for the 51st AGM of the Company shall be the Registered Office of the Company.

2. Explanatory Statement pursuant to Section 102 of the Act setting out the material facts in respect of Special Business (Item No. 06 to 13) is annexed hereto. The relevant details, pursuant to Regulation 36(3) of SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India (SS-2), of the persons seeking appointment/ re-appointment as Directors under Item no. 3, 4 & 8 to 13 are also annexed.

3. NFL is a Government Company under the administrative control of the Department of Fertilizers, Ministry of Chemicals & Fertilizers, Government of India and the power to appoint/nominate Director(s) vests with the Government of India. All Directors of the Company viz. Executive, Non-Executive and Independent Directors are appointed/ nominated by DoF based on the skills/ expertise/ competencies required for the Company. In view thereof, the Board of Directors has not identified the list of core skills/ expertise/ competencies required by a Director in the context of Company's business, as required under SEBI LODR Regulations.

4. Pursuant to Section 143(5) read with Section 139(5) of the Act, the Auditors of a Government Company to be appointed or re-appointed by the Comptroller and Auditor General of India (C&AG) and in terms of sub-section (1) of Section 142 of the Act, their remuneration has to be fixed by the Company in the meeting or in such manner as the Company in General Meeting may determine. Accordingly, the Members may authorize the Board to fix an appropriate remuneration of Statutory Auditors as may be deemed fit by the Board for the year 2025-26. In view thereof, resolution at agenda item no. 05 under the head of ordinary business has been proposed.

5. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE, THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THE AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP ARE NOT ANNEXED TO THIS NOTICE.**

6. Corporate Members intending to authorise their authorized representatives to attend the meeting are requested to send a certified copy of Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to ppdkothari71@gmail.com with a copy marked to evoting@nsdl.co.in.

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

8. **In Compliance with MCA circulars and SEBI circulars, Notice of the AGM along with the Annual Report 2024-25 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories/RTA.** Further, in compliance of SEBI Circulars, the Company shall send the physical copy of Annual Report 2024-25 to those members who request the same at investor@nfl.co.in mentioning their Folio No. /DP ID and Client ID. Further, In accordance with Regulation 36(1)(b) of the SEBI Listing Regulations, letter providing the web-link, including exact path to access the Annual Report for FY 2024-25 is being sent to those members whose e-mail IDs are not registered with the Company /Depository(ies).

9. **The Notice of 51st Annual General Meeting together with Annual Report 2024-25 are available on the Company's website viz. www.nationalfertilizers.com and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also available on the website of NSDL at www.evoting.nsdl.com.**

10. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

11. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members who wish to inspect the documents can send an email to investor@nfl.co.in mentioning their name, demat account number/ folio number, email ID and Mobile number.

12. In case Members have any query relating to the Financial Statements or about the operations of the Company, members are requested to write to the Company on or before Tuesday, September 23, 2025 through an email on investor@nfl.co.in. The same will be replied by the company suitably.

Dividend

13. The Board has recommended a final dividend of ₹ 1.56 per share (15.60 %) on the paid-up equity share capital of the company. The dividend, if declared by the members at the 51st Annual General Meeting, will be paid on or before October 28, 2025, to the members whose names appear in the Register of Members of the Company as on the Record Date i.e. September 22, 2025.

14. SEBI vide its master circular SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/91 dated June 23, 2025 has mandated with effect from 1st April, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Accordingly, payment of final dividend, subject to approval at the AGM, shall be paid to physical holders shareholders whose, folios are updated with respect to PAN, Contact Details, Bank Account Details, etc. In view of same, the shareholders are requested to submit their PAN, KYC and nomination details in prescribed form ISR-1 & SH-13 or ISR3 to the Company's RTA.

TDS on Dividend

15. Pursuant to the Income-tax Act, 1961 amended by the Finance Act, 2020, dividend income is taxable in the hands of the Members and the Company is required to deduct tax at source from such dividend at the prescribed rates. Communication providing detailed information & instructions with respect to tax on the Final Dividend for the financial year ended 31st March, 2025 will be sent separately to the Members.

16. Reserve Bank of India (RBI) is providing ECS/NECS facility for payment of dividend in selected cities. Members holding shares in physical form are advised to submit particulars of their bank account in 'Form ISR-1' which shall contain member's name, folio number, bank details (Bank and Branch name and address, IFSC, MICR details along with the original cancelled cheque bearing the name of the Member) and self-attested copy of PAN Card to update/change their bank account details to the Registrar & Transfer Agent.

17. Members holding shares in dematerialized form may please note that the bank account details and 9-digit MICR Code of their Bankers, as noted in the records of their depository, would be used for the purpose of remittance of dividend through Electronic Clearing Service (ECS), or for printing on dividend warrants, wherever applicable. Members are, therefore, requested to update their bank account particulars, change of address and other details with their respective Depository Participants. The bank details as furnished by the respective DPs to the Company will be considered for remittance of dividend as per the applicable regulations of the DPs and the Company will not entertain any direct request from such Members for change/addition/deletion in such bank details.

Investor Education and Protection Fund

18. **Unpaid/Unclaimed Dividend:**

The Company has transferred the unpaid or unclaimed dividends declared up to financial year 2016-17, from time to time on due dates, if any, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Company has uploaded the details of unpaid and unclaimed dividend amounts lying with the Company, from time to time as on the date of closure of the financial year if any, on the website of the Company (www.nationalfertilizers.com) and also on the website of the IEPF Authority and the same can be accessed through the link https://www.iepf.gov.in.

Members, who have not so far encashed or not received the dividend, are requested to contact the Registrar and Transfer Agent, M/s. MAS Services Limited for the same. Members are requested to note that no claims shall lie against the Company in respect of any amounts which were unclaimed and unpaid for a period of seven years from the dates that they first become due for payment.

19. **Transfer of shares to IEPF:**

The Members may kindly note that pursuant to the provisions of Section 124 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ("IEPF Rules"), all shares in respect of which dividend has remained unclaimed/unpaid for seven consecutive years or more shall be transferred by the Company in favour of IEPF. In this regard, company has transferred shares to the IEPF authority from time to time. The procedure for claiming shares from IEPF account is also available on the Website of the Company.

In pursuance of the IEPF Rules, the Company has communicated individually to the concerned shareholders whose shares are liable to be transferred to IEPF, if any. The Company has also uploaded full details of such shareholders and shares due for transfer to IEPF on its website at www.nationalfertilizers.com under the section "Investor's Desk".

Members may note that shares as well as unclaimed dividend transferred to IEPF Authority can be claimed back from the IEPF Authority.

Furnishing of PAN and KYC details

Members holding shares in physical mode:

20. SEBI vide its Master Circular No. SEBI/HO/MIRSD/POD/P/CIR/2025/91 dated June 23, 2025 provided that it shall be mandatory for all holders of physical securities in listed companies to furnish PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers. A separate communication has already been sent by the Company to the shareholders holding shares in physical mode. These Shareholders are again requested to register the same, if they have not registered already. Form for registering the same can be downloaded from RTA website i.e. www.masserv.com and on Company's website i.e. www.nationalfertilizers.com.

In view of the above, shareholders of the Company holding securities in physical form are requested to provide following documents/details to RTA:

i) PAN (using ISR-1);

ii) Nomination in Form No.SH-13 or submit declaration to 'Opt-out' in Form ISR-3;

iii) Contact details including Postal address with PIN code, Mobile Number, E-mail address (in Form ISR-1);

iv) Bank Account details including Bank name and branch, Bank account number, IFS code (in Form ISR-1);

v) Specimen signature (using ISR-1 and ISR-2) ;

vi) Any cancellation or change in nomination shall be provided in Form No.SH-14.

All of above required documents/ details shall be sent at the address of registered office of the RTA (M/s. MAS Services Limited, T-34, II Floor, Okhla Industrial Area, Phase-II, New Delhi-110020). The shareholders can download the forms mentioned in SEBI circular from the website of the Company i.e. www.nationalfertilizers.com or website of RTA i.e. www.masserv.com.

21. **Members holding shares in electronic mode:**

i) Are requested to update their PAN and Bank account details to their respective DPs with whom they are maintaining their demat accounts as **mandated** by SEBI vide its Master Circular No. SEBI/HO/MIRSD/POD/P/CIR/2025/91 dated June 23, 2025.

ii) Are advised to contact their respective DPs for registering the nominations.

iii) Are requested to register/update their e-mail address with their respective DPs for receiving all communications from the Company electronically.

22. SEBI vide its Master Circular No. SEBI/HO/MIRSD/POD/P/CIR/2025/91 dated June 23, 2025 mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/ exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, members are advised to dematerialise the shares held by them in physical form. Further, SEBI vide its notification no. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated 02.07.2025 has allowed opening of a Special Window, for Relodgement of transfer requests of physical shares which were lodged prior to 01.04.2019 and rejected/returned/not attended to due to deficiency in the documents/process/or otherwise, for a period of six months from 07.07.2025 to 06.01.2026.

23. Annual listing fee for the year 2024-25 has been paid to all Stock Exchanges wherein shares of the Company are listed. Also, the Annual Custodian Fee for the year 2024-25 was paid to both Depositories i.e. Central Depository Services (India) Limited and National Securities Depository Limited.

24. None of the Directors of the Company is in any way related with each other.

25. E-voting in compliance with provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members with facility to exercise their right to vote on the resolutions proposed to be passed **at the AGM by electronic means**. The facility of casting the votes by the members using an electronic voting system will be provided by NSDL. The members whose names appear in the Register of Members/List of Beneficial Owners as on 22.09.2025 i.e. Cut-off date are entitled to vote on the resolutions set forth in this Notice.

26. Kindly note that the members can opt for only one mode of voting i.e. either through Remote e-voting or e-voting at the AGM conduct through VC or OAVM. Therefore, members who have cast their votes by remote e-voting prior to the AGM may attend the AGM through VC or OAVM but shall not be entitled to cast their votes again.

27. **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on Friday, September 26, 2025 at 09:00 A.M. and ends on Sunday, September 28, 2025 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Monday, September 22, 2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 22, 2025.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI master circular SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 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.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in dematmodewithNSDL.	1. 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 i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see **e-Voting** services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon **"Login"** which is available under **'Shareholder/Member'** section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining 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. NSDL and CDSL.

Login type	Helpdesk details
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.com or call at 022 - 4886 7000

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in process for those **shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on **"Forgot User Details/Password?"**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

   EVEN Number is 135478

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the

Scrutinizer by e-mail to **ppdkothari71@gmail.com** with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Amit Vishal at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please complete PAN-KYC by filling form ISR-1, ISR-2 and send to RTA (i.e. MAS Services Limited T-34 2 nd Floor, Okhla Industrial Area Phase-II, New Delhi 110020.

2. In case shares are held in demat mode, please update your KYC with your DP and generate password as explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI master circular SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

a) Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

b) Members are encouraged to join the Meeting through Laptops for better experience.

c) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

d) 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.

e) Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at Investor@nfl.co.in. The same will be replied by the company suitably.

28. Shri Pramod Kothari, Proprietor of M/s Pramod Kothari & Co (CP: 11532), Company Secretaries has been appointed as Scrutinizer to scrutinize the e-voting (votes cast during the AGM and votes cast through remote e-voting) process in a fair and transparent manner.

    The Scrutinizer will submit his report to the C&MD or in his absence, Director (Finance) after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting), not later than 2 working days from the conclusion of the AGM.

    The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.nationalfertilizers.com and on the website of NSDL immediately after the declaration of result by the Chairman in writing and communicated to the BSE and NSE.

29. **General guidelines for VC/OAVM participation**

    i. Members may note that the 51st AGM of the Company will be convened through VC/OAVM in compliance with the applicable provisions of the Companies Act, 2013, read with the MCA and SEBI Circulars. The facility to attend the meeting through VC/OAVM will be provided by the Company.

    ii. Members can log in and join 30 minutes prior to the schedule time of the AGM and window for joining the meeting shall be kept open till the expiry of 15 minutes after the scheduled time. The Company is providing VC/OAVM facility to members to attend the AGM. The said facility will be available for 1000 Members on first come first served basis. This will not include large Members (i.e. Members with 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of the Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

    iii. Members can participate in the AGM through their desktops/ smartphones/ laptops etc. However, for better experience and smooth participation, it is advisable to join the meeting through desktops/ laptops with high-speed internet connectivity.

    iv. In case any help required regarding e-voting and joining of VC, you can contact with Mr.

Deepanshu Rastogi, Asst. Manager of MAS Services Limited at phone number 011-26387281-83 or investor@masserv.com.

v. Members who would wish to express their views at the AGM may register themselves as a speaker by sending their request with below-mentioned details, from their registered email address at investor@nfl.co.in on or before 23.09.2025.

Name	
DP ID and Client ID/folio No.	
Mobile No.	
No. of shares held on cut-off date (i.e. 22.09.2025)	
Query	
Email ID	

Members who have registered as a speaker will only be allowed to speak during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. Registered Members holding higher voting rights will be given preference to speak at the AGM. Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

By Order of the Board of Directors
For National Fertilizers Limited

(Ashok Jha)
Company Secretary
A-14100

Registered Office:
Scope Complex, Core-III,
7, Institutional Area, Lodhi Road,
New Delhi-110003.

Date: 29th August, 2025

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013

Item No. 6: To ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2026.

Pursuant to the recommendation of the Audit Committee, Board of Directors in its meeting held on 14.08.2025 have approved the appointment of Cost Auditors and fixed their remuneration to conduct Audit of Cost records of the Company for the financial year 2025-26 as per the following details:-

Unit	Name of the Firm for Cost Audit	Fees (₹) (Exclusive of GST)
Vijaipur - I & II	M/s Dhananjay V. Joshi & Associates	135,000/-
Nangal	M/s K. L. Jaisingh & Co.	67,500/-
Bathinda	M/s Diwanji & Associates	67,500/-
Panipat	M/s Typsgo & Co.	67,500/-
Consolidation of Cost Audit reports of all Units	M/s Dhananjay V. Joshi & Associates	30,000/-

In accordance with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, requires ratification by the shareholders and hence, this resolution is put for consideration of the shareholders of the Company.

Accordingly, consent of the shareholders is sought for passing an Ordinary Resolution as set out at Item No.6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 2025-26.

None of the Directors, Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No.6 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No.6 of the Notice for approval of the shareholders.

Item No. 7: To appoint the Secretarial Auditor.

Pursuant to provisions of Section 204 of the Companies Act, 2013, and relevant rules made thereunder, read with Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015"), circulars issued thereunder to the extent applicable, other applicable regulations framed by the Securities and Exchange Board of India in this regard, the Secretarial Auditor requires to be appointed by the Company with the approval of its shareholders in Annual General Meeting.

In light of the aforesaid, the Board of Directors of the Company, pursuant to the recommendations of the Audit Committee, has recommended appointment of M/s Agarwal S. & Associates, a firm of Practicing Company Secretaries (firm registration no. P2003DE049100), as the Secretarial Auditor of the Company for a term of five consecutive financial years commencing from April 1st, 2025 till March 31st, 2030 on such terms and conditions as approved by the Board of Directors of the Company.

The firm has submitted their consent to act as Secretarial Auditor of the Company and further, confirmed that they are not disqualified from being appointed as Secretarial Auditor.

Accordingly, consent of the shareholders is sought for passing an Ordinary Resolution as set out at Item No.7 of the Notice for appointment of Secretarial Auditor for financial years 2025-26 to 2029-30.

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

The Board recommends the Ordinary Resolution set out at Item No. 7 of the notice for approval by the shareholders.

Item No. 8: Appointment of Shri Bharat Bhushan (DIN: 03259509) as Government Nominee Director on the Board of the Company.

Shri Bharat Bhushan (DIN: 03259509), was appointed as Government Nominee Director of the Company by the President of India vide Order No. 95/1/2019-HR-PSU (Part-2) (e-31042) dated 01st November, 2024 issued by Department of Fertilizers, Ministry of Chemicals & Fertilizers, Government of India and was accordingly appointed as Additional Director under the category Non-Executive Director (Government Nominee) w.e.f. 07.11.2024 upto the date of Annual General Meeting pursuant to provision of Section 161 of the Companies Act, 2013, Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification thereof) and other applicable provisions.

As per the Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, that the appointment of a person on the Board of Directors of Public Sector Company shall be approved by the shareholders at the next General Meeting.

The Company has received requisite notice, pursuant to the provisions of Section 160 of the Act, proposing the candidature of Shri Bharat Bhushan for appointment as Non-Executive Director of the Company at ensuing AGM. Nomination and Remuneration Committee has recommended the appointment of Shri Bharat Bhushan as Non-Executive Director of the Company, who is liable to retire by rotation in terms of Section 152 of the Act.

The remuneration, tenure and other terms and conditions of appointment shall be determined by the Government of India from time to time.

The details regarding his qualification, expertise, date of first appointment on the Board, relationship with other KMPs and Director, Shareholding in the Company, Number of Meeting attended during the year, Membership/ Chairmanship of Committee of the Boards and other information are attached herewith which forms part of the Notice.

The Company has received requisite consent from Shri Bharat Bhushan. He is neither disqualified from being appointed as Director in terms of provisions of the Act nor debarred from being appointed to the office of Director by virtue of any order of SEBI or any other authority.

Keeping in view his vast experience and knowledge, it will be in the interest of the Company to appoint Shri Bharat Bhushan as Non-Executive Director (Government Nominee) of the Company and the Board of Directors, proposes to seek approval of the Members of the Company for appointment of Shri Bharat Bhushan as Non-Executive Director (Government Nominee).

Save and except Shri Bharat Bhushan and his relatives, to the extent of their shareholding, interest, if any, in the Company, none of the Directors, Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 8 of the Notice for approval of the shareholders.

Item No. 9: Appointment of Shri Mahesh Chander Gupta (DIN: 10996394) as Director (Marketing).

Shri Mahesh Chander Gupta (DIN: 10996394), has been appointed as Director (Marketing) of the Company by the President of India vide Order No. 82/1/2021-HR-PSU (Part-1) (e-36198) dated 07.03.2025 issued by Department of Fertilizers, Ministry of Chemicals & Fertilizers, Government of India and was accordingly appointed as Additional Director {Director (Marketing)} w.e.f. 11.03.2025 to hold office up to the date of Annual General Meeting pursuant to provision of Section 161 of the Companies Act, 2013, Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification thereof) and other applicable provisions.

As per the Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the appointment of a person on the Board of Directors of Public Sector Company shall be approved by the shareholders at the next General Meeting.

The Company has received requisite notice, pursuant to the provisions of Section 160 of the Act, proposing the candidature of Shri Mahesh Chander Gupta as Director (Marketing) of the Company at ensuing AGM. Nomination and Remuneration Committee has recommended the appointment of Shri Mahesh Chander Gupta as Director (Marketing) of the Company, who is liable to retire by rotation in terms of Section 152 of the Act.

The remuneration, tenure and other terms and conditions of appointment shall be determined by the Government of India from time to time.

The details regarding his qualification, expertise, date of first appointment on the Board, relationship with other KMPs and Director, Shareholding in the Company, Number of Meeting attended during the year, Membership/ Chairmanship of Committee of the Boards and other information are attached herewith which forms part of the Notice.

The Company has received requisite consent from Shri Mahesh Chander Gupta. He is neither disqualified from being appointed as Director in terms of provisions of the Act nor debarred from being appointed to the office of Director by virtue of any order of SEBI or any other authority.

Keeping in view his vast experience and knowledge, it will be in the interest of the Company to appoint Shri Mahesh Chander Gupta as Director (Marketing) of the Company and the Board of Directors, proposes to seek approval of the Members of the Company for appointment of Shri Mahesh Chander Gupta as Director (Marketing).

Save and except Shri Mahesh Chander Gupta and his relatives, to the extent of their shareholding, interest, if any, in the Company, none of the Directors, Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 9 of the Notice for approval of the shareholders.

Item No. 10: Appointment of Ms. Ritu Goswami (DIN: 10463372) as Director (Technical) – Additional Charge.

Ms. Ritu Goswami (DIN: 10463372), has been appointed as Director (Technical) – Additional Charge of the Company by the Competent Authority vide Order No. 82/1/2017-HR PSU (Part-1) (e-31527) dated 18.07.2025 issued by Department of Fertilizers, Ministry of Chemicals & Fertilizers, Government of India and was accordingly appointed as Additional Director {Director (Technical) – Additional Charge } w.e.f. 22.07.2025 to hold office up to the date of Annual General Meeting pursuant to provision of Section 161 of the Companies Act, 2013, Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification thereof) and other applicable provisions.

As per the Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the appointment of a person on the Board of Directors of Public Sector Company shall be approved by the shareholders at the next General Meeting.

The Company has received requisite notice, pursuant to the provisions of Section 160 of the Act, proposing the candidature of Ms. Ritu Goswami as Director (Technical) – Additional Charge of the Company at ensuing AGM. Nomination and Remuneration Committee has recommended the appointment of Ms. Ritu Goswami as Director (Technical) – Additional Charge of the Company, who is liable to retire by rotation in terms of Section 152 of the Act.

The remuneration, tenure and other terms and conditions of appointment shall be determined by the Government of India from time to time.

The details regarding her qualification, expertise, date of first appointment on the Board, relationship with other KMPs and Director, Shareholding in the Company, Number of Meeting attended during the year, Membership/ Chairmanship of Committee of the Boards and other information are attached herewith which forms part of the Notice.

The Company has received requisite consent from Ms. Ritu Goswami. She is neither disqualified from being appointed as Director in terms of provisions of the Act nor debarred from being appointed to the office of Director by virtue of any order of SEBI or any other authority.

Keeping in view her vast experience and knowledge, it will be in the interest of the Company to appoint Ms. Ritu Goswami as Director (Technical) – Additional Charge of the Company and the Board of Directors, proposes to seek approval of the Members of the Company for appointment of Ms. Ritu Goswami as Director (Technical) – Additional Charge.

Save and except Ms. Ritu Goswami and her relatives, to the extent of their shareholding, interest, if any, in the Company, none of the Directors, Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 10 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 10 of the Notice for approval of the shareholders.

Item No. 11: Appointment of Shri Jyoti Bhramar Tubid (DIN: 02442295) as Non–Official Independent Director.

Shri Jyoti Bhramar Tubid (DIN: 02442295), has been appointed as Non–Official Independent Director of the Company by the Competent Authority vide Letter No. 95/01/2025-HR-PSU (e-38792) dated 05.05.2025 issued by Department of Fertilizers, Ministry of Chemicals & Fertilizers, Government of India, for a period of one year with effect from the date of notification of his appointment, or until further orders and was accordingly appointed as Additional Director (Non-Official Independent Director) w.e.f. 05.05.2025 to hold office upto the date of Annual General Meeting.

As per the Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the appointment of a person on the Board of Directors of Public Sector Company shall be approved by the shareholders at the next General Meeting.

Further, as per the provision of Regulation 25(2A) of SEBI (LODR) Regulations, 2015 the appointment, re-appointment or removal of an independent director of a listed entity, shall be subject to the approval of shareholders by way of a special resolution.

The Company has received requisite notice, pursuant to the provisions of Section 160 of the Act, proposing the candidature of Shri Jyoti Bhramar Tubid for appointment as Non-Official Independent Director of the Company. He will not be liable to retire by rotation.

The remuneration, tenure and other terms and conditions of appointment shall be determined by the Government of India from time to time.

The details regarding his qualification, expertise, date of first appointment on the Board, relationship with other KMPs and Director, Shareholding in the Company, Number of Meeting attended during the year, Membership/ Chairmanship of Committee of the Boards and other information are attached herewith which forms part of the Notice.

The Company has received requisite consent from Shri Jyoti Bhramar Tubid. He is neither disqualified from being appointed as Director in terms of provisions of the Act nor debarred from being appointed to the office of Director by virtue of any order of SEBI or any other authority. Company has received a declaration from Shri Jyoti Bhramar Tubid that he meets with the criteria of independence as prescribed under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Keeping in view his vast experience and knowledge, it will be in the interest of the Company to appoint Shri Jyoti Bhramar Tubid as Non-Official Independent Director of the Company and the Board of Directors, proposes to seek approval of the Members of the Company for appointment of Shri Tubid as Non-Official Independent Director.

Save and except Shri Jyoti Bhramar Tubid and his relatives, to the extent of their shareholding, interest, if any, in the Company, none of the Directors/ Key Managerial Personnel of the Company/ their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No.11 of the Notice.

The Board recommends the Special Resolution set out at Item No.11 of the Notice for approval of the shareholders.

Item No. 12: Appointment of Prof. Rabi Ranjan Sen (DIN: 09400040) as Non–Official Independent Director.

Prof. Rabi Ranjan Sen (DIN: 09400040), has been appointed as Non–Official Independent Director of the Company by the Competent Authority vide Letter No. 95/01/2025-HR-PSU (e-38792) dated 05.05.2025 issued by Department of Fertilizers, Ministry of Chemicals & Fertilizers, Government of India, for a period of one year with effect from the date of notification of his appointment, or until further orders and was accordingly appointed as Additional Director (Non-Official Independent Director) w.e.f. 05.05.2025 to hold office upto the date of Annual General Meeting.

As per the Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the appointment of a person on the Board of Directors of Public Sector Company shall be approved by the shareholders at the next General Meeting.

Further, as per the provision of Regulation 25(2A) of SEBI (LODR) Regulations, 2015 the appointment, re-appointment or removal of an independent director of a listed entity, shall be subject to the approval of shareholders by way of a special resolution.

The Company has received requisite notice, pursuant to the provisions of Section 160 of the Act, proposing the candidature of Prof. Rabi Ranjan Sen for appointment as Non-Official Independent Director of the Company. He will not be liable to retire by rotation.

The remuneration, tenure and other terms and conditions of appointment shall be determined by the Government of India from time to time.

The details regarding his qualification, expertise, date of first appointment on the Board, relationship with other KMPs and Director, Shareholding in the Company, Number of Meeting attended during the year, Membership/ Chairmanship of Committee of the Boards and other information are attached herewith which forms part of the Notice.

The Company has received requisite consent from Prof. Rabi Ranjan Sen. He is neither disqualified from being appointed as Director in terms of provisions of the Act nor debarred from being appointed to the office of Director by virtue of any order of SEBI or any other authority. Company has received a declaration from Prof. Rabi Ranjan Sen that he meets with the criteria of independence as prescribed under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Keeping in view his vast experience and knowledge, it will be in the interest of the Company to appoint Prof. Rabi Ranjan Sen as Non-Official Independent Director of the Company and the Board of Directors, proposes to seek approval of the Members of the Company for appointment of Prof. Rabi Ranjan Sen as Non-Official Independent Director.

Save and except Prof. Rabi Ranjan Sen and his relatives, to the extent of their shareholding, interest, if any, in the Company, none of the Directors/ Key Managerial Personnel of the Company/ their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No.12 of the Notice.

The Board recommends the Special Resolution set out at Item No.12 of the Notice for approval of the shareholders.

Item No. 13: Appointment of Ms. Pinky Pradhan (DIN: 10222011) as Non–Official Independent Director.

Ms. Pinky Pradhan (DIN: 10222011), has been appointed as Non–Official Independent Director of the Company by the Competent Authority vide Letter No. 95/01/2025-HR-PSU (e-38792) dated 22.05.2025 issued by Department of Fertilizers, Ministry of Chemicals & Fertilizers, Government of India, for a period of three years with effect from the date of notification of her appointment, or until further orders and was accordingly appointed as Additional Director (Non-Official Independent Director) w.e.f. 23.05.2025 to hold office upto the date of Annual General Meeting.

As per the Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the appointment of a person on the Board of Directors of Public Sector Company shall be approved by the shareholders at the next General Meeting.

Further, as per the provision of Regulation 25(2A) of SEBI (LODR) Regulations, 2015 the appointment, re-appointment or removal of an independent director of a listed entity, shall be subject to the approval of shareholders by way of a special resolution.

The Company has received requisite notice, pursuant to the provisions of Section 160 of the Act, proposing the candidature of Ms. Pinky Pradhan for appointment as Non-Official Independent Director of the Company. She will not be liable to retire by rotation.

The remuneration, tenure and other terms and conditions of appointment shall be determined by the Government of India from time to time.

The details regarding her qualification, expertise, date of first appointment on the Board, relationship with other KMPs and Director, Shareholding in the Company, Number of Meeting attended during the year, Membership/ Chairmanship of Committee of the Boards and other information are attached herewith which forms part of the Notice.

The Company has received requisite consent from Ms. Pinky Pradhan. She is neither disqualified from being appointed as Director in terms of provisions of the Act nor debarred from being appointed to the office of Director by virtue of any order of SEBI or any other authority. Company has received a declaration from Ms. Pinky Pradhan that she meets with the criteria of independence as prescribed under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Keeping in view her vast experience and knowledge, it will be in the interest of the Company to appoint Ms. Pinky Pradhan as Non-Official Independent Director of the Company and the Board of Directors, proposes to seek approval of the Members of the Company for appointment of Ms. Pinky Pradhan as Non-Official Independent Director.

Save and except Ms. Pinky Pradhan and her relatives, to the extent of their shareholding, interest, if any, in the Company, none of the Directors/ Key Managerial Personnel of the Company/ their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No.13 of the Notice.

The Board recommends the Special Resolution set out at Item No.13 of the Notice for approval of the shareholders.

By Order of the Board of Directors
For National Fertilizers Limited

(Ashok Jha)
Company Secretary
A-14100

Registered Office:
Scope Complex, Core-III,
7, Institutional Area, Lodhi Road,
New Delhi-110003.

Date: 29th August, 2025

Annexure to Notice

Details of the Directors seeking Appointment/ Re-Appointment

Name	Dr. U. Saravanan (DIN : 07274628)	Shri Hira Nand (DIN : 09476034)	Shri Bharat Bhushan (DIN: 03259509)	Shri Mahesh Chander Gupta (DIN: 10996394)	Ms. Ritu Goswami (DIN: 10463372)	Shri Jyoti Bhramar Tubid (DIN: 02442295)	Prof. Rabi Ranjan Sen (DIN: 09400040)	Ms. Pinky Pradhan (DIN: 10222011)
Date of Birth & Age	15.01.1967 (58 Years)	05.02.1966 (59 Years)	06.09.1965 (59 Years)	25.09.1967 (57 Years)	19.03.1967 (58 Years)	14.03.1958 (67 Years)	25.04.1974 (51 Years)	03.05.1975 (50 Years)
Date of First Appoitntment	16.06.2023	17.06.2022	07.11.2024	11.03.2025	22.07.2025	05.05.2025	05.05.2025	23.05.2025
Qualification	Dr. U. Saravanan is a Chemical Engineer from Anna University and MBA from University of Madras. He has completed a graduate training on Process Design conducted by M/s UOP at Chicago, USA. He has been conferred with an honoris causa degree of Doctor of Philosophy in Financial Distress, Turnaround & Social Engagements by the Maryland State University, USA.	Shri Hira Nand is Cost and Management Accountant by profession. He is also a Law graduate from Bhopal University.	Shri Bharat Bhushan holds a Bachelor's Degree in Commerce from DAV College, Jalandhar; Master's degree in Economics from Guru Nanak Dev University Amritsar and a Post Graduate Diploma in Public Policy Management from Indian Institute of Management, Bangalore. He is an Indian Economic Service (IES) Officer from the 1993 batch.	Shri Mahesh Chander Gupta is a Management Graduate from FMS, Udaipur as well as Cost & Management Accountant (Gold Medalist).	Ms. Ritu Goswami is a Chemical Engineer. She has attended advanced leadership programme organised by Indian institute of Public Administration, New Delhi and International Business School, Hague.	Shri Jyoti Bhramar Tubid was an Indian Administrative Service (IAS) officer of 1983 batch and voluntary retired from the Civil Services in 2014.	Prof. Rabi Ranjan Sen has completed his M.Phil in History from Jawaharlal Nehru University (JNU).	Ms. Pinky Pradhan is a gold medalist In Mass Communication and Journalism from Utkal University in 2016. Further, she has also completed her LLB & B.SC (Botany Honours) from Utkal University.
Expertise in specific functional area	Dr. U. Saravanan, has served as C&MD of another fertilizer CPSE, Madras Fertilizers Limited (MFL). Dr. Saravanan has a wide experience spanning over 35 years covering both Oil Refinery and Fertilizer	Shri Hira Nand, prior to his appointment as Director (Finance) & CFO in NFL, was holding position of ED (Finance & Accounts) in NFL, he has also worked as ED (F&A) at Ramagundam Fertilizers & Chemicals Limited. Earlier,	Shri Bharat Bhushan has held various significant posts in various Government organizations. Shri Bhushan's expertise in economic policy and management has been instrumental in shaping the country's fertilizer sector.	Shri Mahesh Chander Gupta has served as Chief General Manager (Business Development - Gas) in Indian Oil Corporation Limited (IOCL) heading Natural Gas Sourcing and Marketing at Corporate Office. A seasoned professional	Ms. Ritu Goswami has more than 35 years of hands on experience in varied aspects of the fertilizer industry. She has an acumen for leadership oriented management with key areas of expertise in conceptualizati	Shri Jyoti Bhramar Tubid, during his tenure in the Civil Services before taking voluntary retirement, he has held various significant post in the state of Jharkhand such as Home Secretary, Cabinet Secretary,	Prof. Rabi Ranjan Sen is an Associate Professor and Head of the Department of History at Katwa College, West Bengal. Further, he had been an Independent Director in Brahmaputra Valley Fertilizer Corporation Limited (BVFCL).	Ms. Pinky Pradhan is an eminent Actress and Social Activist of Odisha.

	Industries. He is a senior member of American Institute of Chemical Engineer and a Life member of Indian Institute of Chemical Engineers. He has also worked in Project Team for pre-commissioning and commissioning activities of Petrochemical project at Rayong, Thailand under Toyo Engineering, Japan. He also held additional charge as Director (Technical) of another fertilizer CPSE, FACT, Cochin for more than a year. He was also a board member of Indian Potash Limited, Fertilizers Association of India and Fortune Biotech and a member of state level committee on standardization constituted by Government of Tamil Nadu. As C&MD, MFL, Dr. U. Saravanan is credited for turning around the company into a profit making one.	he has also worked with ONGC Petro additions Limited (OPaL), KRIBHCO and Model Economic Township Ltd. (a wholly owned company by Reliance Industries Ltd). He has a rich experience of more than 33 years. He worked in areas of Corporate Finance & Treasury in mobilization of funds from market including forex risk management, capital & revenue budgeting, accounts and taxation, fertilizer pricing related regulatory matters etc.	He has worked as Finance Officer in Bhakra Beas Management Board (BBMB), Chandigarh & Haryana Vidyut Prasaran Nigam Ltd, Panchkula. He has also hold the post of Deputy Director General, in Labour Bureau, Ministry of Labour & Employment, Chandigarh. Currently, he serves as the Senior Economic Adviser in the Ministry of Chemical & Fertilizers, Department of Fertilizers. Government of India.	with over 30 years of experience, Shri Gupta has played a pivotal role in upscaling of Natural Gas business for IOCL to new heights, establishing new business streams of Petrochemicals including PTA & Polymers in domestic and global markets and other Business Development Activities. Shri Gupta has held leadership positions across' Petroleum Marketing, Petrochemicals Marketing, Natural Gas Marketing business and Vigilance vertical.	on of projects, project feasibility, selection of technology, project cost estimates, projects coordination, business strategies, contract management, process engineering, optimizing input costs for product manufacturing via negotiations with leading suppliers, production planning and Performance monitoring of mega fertilizer plants. She has actively represented the urea industry and taken up issues related to major raw material i.e. natural gas and policy matters with stake holders including regulatory and government bodies. While on deputation as fertilizer expert in HURL, she lead drafting of the techno-commercial scope on LSTK basis and obtaining statutory approvals for mega fertilizer projects at Gorakhpur, Sindri and Barauni.	Secretary in Department of Excise and Prohibition; Secretary in Department of Health, Medical Education & Family Welfare. Further, he had been a Board Member of XLRI, Jamshedpur and various Government Companies. His Area of Specialization includes Management, Administration and Technology.		

Number of Meetings of the Board held during the year and number of Board Meetings attended	8/8	8/8	2/3	-	NA	4/8	NA	NA
Relationship with any other Director, Manager, and other KMP of the Company	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Directorship held in other companies	1. The Fertilizers Association of India 2.Ramagundam Fertilizers and Chemicals Limited 3. Projects and Development India Limited 4. Assam Valley Fertilizer and Chemical Company Limited	1.Ramagundam Fertilizers and Chemicals Limited 2. Projects and Development India Limited 3. Urvarak Videsh Limited	-	-	Rashtriya Chemicals and Fertilizers Limited	-	-	1. Foundation For Promoting Action In Community Empowerment 2. Raghunath Pradhan Foundation
Membership/ Chairmanship of Committees across all Public Companies held	National Fertilizers Limited: Audit Committee - Member Nomination and Remuneration Committee – Member Stakeholders Relationship Committee – Member Corporate Social Responsibility and Sustainable Development Committee – Member Risk Management Committee – Member Ramagundam Fertilizers and Chemicals	National Fertilizers Limited: Nomination and Remuneration Committee – Member Stakeholders Relationship Committee – Member Corporate Social Responsibility and Sustainable Development Committee – Member Risk Management Committee – Member Projects and Development India Limited: Corporate Social Responsibility Committee –	NIL	National Fertilizers Limited: Audit Committee – Member Stakeholders Relationship Committee – Member Risk Management Committee - Member	Rashtriya Chemicals And Fertilizers Limited: Corporate Social Responsibility and Sustainable Development (CSR) Committee -Member Stakeholders Relationship Committee –Member Share Transfer Committee – Member Empowered Committee for Procurement – Member Risk Management Committee – Member Empowered Committee for Procurement of	National Fertilizers Limited: Audit Committee - Chairperson Nomination and Remuneration Committee – Chairperson Stakeholders Relationship Committee – Chairperson Corporate Social Responsibility and Sustainable Development Committee – Member Risk Management Committee - Member	National Fertilizers Limited: Audit Committee - Member Nomination and Remuneration Committee – Member Stakeholders Relationship Committee – Member Corporate Social Responsibility and Sustainable Development Committee – Chairperson Risk Management Committee - Chairperson	National Fertilizers Limited: Audit Committee – member Nomination and Remuneration Committee – Member Corporate Social Responsibility and Sustainable Development Committee – Member

	Limited: Corporate Social Responsibility Committee – Chairman	Member Ramagundam Fertilizers and Chemicals Limited: Audit, Account & Finance Committee – Chairman Risk Management Committee - Member			Urea on Govt. Account – Member Debenture Allotment Committee - Member			
No. of Shares held	-	-	-	-	-	-	-	-
Terms and Conditions of appointment or re-appointment including remuneration	Appointment as per the order of the President of India vide DoF order no. F. No. 82/1/2014-HR-I dated 15th June, 2023.	Appointment as per the order of the President of India vide DoF order No. 82/3/2013-HR-PSU dated 17th June, 2022.	Appointment as per the order of the President of India vide DoF Order No. 95/1/2019-HR-PSU dated 01st November, 2024.	Appointment as per the order of the President of India vide DoF order No. 82/1/2021-HR-PSU (Part-1) (e-36198) dated 07th March, 2025.	Appointment as per the order of the Competent Authority vide DoF order No. 82/1/2017-HR-PSU (Part-1) (e-31527) dated 18th July, 2025.	Appointment as per the order of the Competent Authority vide DoF Letter No. 95/01/2025-HR-PSU (e-38792) dated 5th May, 2025.	Appointment as per the order of the Competent Authority vide DoF Letter No. 95/01/2025-HR-PSU (e-38792) dated 5th May, 2025.	Appointment as per the order of the Competent Authority vide DoF letter No. 95/01/2025-HR-PSU (e-38792) dated 22nd May, 2025.
Name of the listed entities in which the person also hold the directorship and membership of the Committees of the Board along with listed entities from which the person has resigned in the past three years	NIL	NIL	NIL	NIL	1. Rashtriya Chemicals and Fertilizers Limited	NIL	NIL	NIL



A Navratna Company

NATIONAL FERTILIZERS LIMITED

(A Government of India Undertaking)

CIN: L74899DL1974GOI007417

Corporate Office: A-11, Sector-24, Noida-201301, UP

Registered Office: Scope Complex, Core-III, 7, Institutional Area,
Lodhi Road, New Delhi – 110003.

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A Navratna Company

51st ANNUAL REPORT
2024-2025



नेशनल फर्टिलाइज़र्स लिमिटेड
National Fertilizers Limited

VISION



To be a leading Indian company in fertilizers and beyond, with commitment to all stakeholders

MISSION



A dynamic organisation committed to serve the farming community and other customers to their satisfaction through timely supply of fertilizers and other products & services; continually striving to achieve the highest standards in quality, safety, ethics, professionalism, energy conservation with a concern for ecology and maximising returns to stakeholders

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MANAGEMENT TEAM

BOARD LEVEL

Dr. U. Saravanan
Chairman & Managing Director

Sh. Hira Nand
Director (Finance)

Sh. Mahesh Chander Gupta
Director (Marketing)

Ms. Ritu Goswami
Addl. Charge of
Director (Technical)

CORPORATE OFFICE

Vigilance	Sh. Amit Kumar Sharma, IRS	Chief Vigilance Officer
Information Technology	Sh. Anil Motsara	Executive Director
Human Resource	Sh. B. V. Vittal	Executive Director
Finance & Accounts	Sh. J. Ramesh	Executive Director
Technical & Project	Sh. B. B. Grover	Executive Director
Information Technology	Ms. Poonam Chum	Chief General Manager
Finance & Accounts	Sh. P. K. Chohan	Chief General Manager
Human Resource - Admn.	Sh. Sanjeev Randeva	General Manager (I/c)
Finance & Accounts	Sh. S.K. Prajapati	General Manager
BEC&C	Sh. P. Parthiban	General Manager

UNIT HEADS

Sh. M. N. Goyal Executive Director Nangal Unit	**Sh. V. K. Gupta** Chief General Manager Vijaipur Unit	**Sh. T. K. Batra** Chief General Manager Bathinda Unit	**Sh. B. M. Jha** General Manager (I/c) Panipat Unit

Ashok Jha Company Secretary A-14100	**Auditors** **RSPH & Associates** Chartered Accountants, New Delhi	**Auditors** **Dhawan & Company** Chartered Accountants, New Delhi	**Registrar & Transfer Agents** **MAS Services Limited** T-34, IInd Floor, Okhla Industrial Area-II New Delhi-110020

BOARD OF DIRECTORS



Dr. U. Saravanan
Chairman & Managing Director



Sh. Hira Nand
Director (Finance)



Sh. Mahesh Chander Gupta
Director (Marketing)



Ms. Ritu Goswami
Addl. Charge of Director (Technical)



Dr. Prathibha Anirudhan
Government Nominee Director



Sh. Bharat Bhushan
Government Nominee Director



Sh. Jyoti Bhramar Tubid
Non-Official Independent Director



Sh. Rabi Ranjan Sen
Non-Official Independent Director



Ms. Pinky Pradhan
Non-Official Independent Director



CHAIRMAN'S MESSAGE

Dr. U. Saravanan
Chairman & Managing Director

Dear Shareholders,

It gives me immense pleasure to share with you the overall performance of your company for the fiscal year 2024-25 with an overview of the Indian and Global fertilizer industry.

The fertilizer industry in the country is currently facing challenging times. Fertilizer manufacturers and marketers are facing pressures due to raw material shortages and high input costs. Additionally, global supply chain restrictions on the trade of non-urea fertilizers have impeded the momentum of domestic players.

Every challenge, however, brings some opportunity. This is the time for India to strengthen the country's domestic capacity and move decisively towards achieving self-reliance in fertilizers. The fertilizer industry has always been the backbone of Indian agriculture and will continue to make efforts in making the country Atma Nirbhar in production and supply of essential fertilizers. The use of chemical fertilizers will continue to play a crucial role in meeting ever-growing demand of food grains with shrinking land availability for agriculture.

However, it is essential to ensure that fertilizer use in agriculture remains sustainable. This calls for innovation in the fertilizer sector, including the development and adoption of more efficient fertilizer products, balanced use of fertilizers with organic manures, bio-fertilizers and micronutrients.

The overall fertilizer consumption during FY 2024-25 was 65.27 million tons which was marginally reduced by around 3% from 67.35 million tons during previous year. The total production of Urea, DAP, and NPKs in the country stood at 30.67 million tons, 3.77 million tons and 12.11 million tons, respectively during 2024-25.

India remains heavily dependent on imports for non-urea fertilizers such as phosphate and potash. The Union Government has set 2025–26 as the target year to end all urea imports. In 2024–25, imports of both DAP and Urea has declined. In the case of DAP, reduced imports were primarily due to global supply constraints arising from geopolitical conflicts in the Middle East, Ukraine and Russia, sanctions on Belarus and export restrictions by China.

To ensure the proper availability of the non-urea fertilizers, the government has encouraged Indian firms to establish joint ventures in nations with substantial fertiliser resources for production facilities with buy-back arrangements that help for long-term agreements for the supply of fertilizers input to India. Government of India has been providing sufficient funds for fertilizer subsidy for last couple of years. However, unusual spike in international prices of raw materials and finished fertilizers caused disruption in the availability of fertilizers resulting in huge increase in subsidy requirement to insulate the farmers and agriculture from skyrocketing fertilizer prices.

Despite these formidable challenges, your company has delivered a commendable performance and strengthened its profitability. I am proud to share that your company has achieved a Profit Before Tax of ₹104.08 crore in FY 2024–25, with an increase of 17.6% from ₹88.52 crore recorded in FY 2023–24. This achievement was driven by higher contributions from urea sales, robust growth in industrial products and lower employee remuneration expenses.

Your company has registered a turnover of ₹19,794.50 crore in 2024–25, compared to ₹23,560.31 crore recorded in the previous year. The decline in turnover was primarily due to decrease in the average gas price during the year. During the FY 2024–25, the company registered total fertilizer sales of 63.37 LMT, comprising 37.32 LMT of own urea, 4.18 LMT of imported urea, 11.99 LMT of RFCL urea, and 9.88 LMT of non-urea fertilizers, including 0.26 LMT (26,466 MT) of Compost.

Your company is continuously increasing the revenue from other sources than fertilizers to increase profitability. The company has registered Sale of 99745 MT of Nitric Acid during 2024-25 as compared to sale of 87249 MT achieved during 2023-24 with an increase of 14.32% over the CPLY.

The company also recorded sale of Ammonium Nitrate to the tune of 55502 MT during 2024-25 as compared to sale of 40510 MT achieved during 2023-24 with a significant growth of 37% on yearly basis. This performance is reflecting strong growth in industrial product segments by the company.

In terms of revenue generation from production and sale of Industrial products (comprising of Nitric Acid, Ammonium Nitrate, Sodium Nitrate/Nitrite) the Company achieved remarkable cumulative sales revenue of ₹673.48 crore during 2024-25 against ₹470.87 crore achieved during 2023-24. The Industrial Products segment has seen a robust growth of 43% in revenue generation as compared to FY 2023-24.

Your company has achieved the production & sale of certified seeds to the tune of 0.94 Lakh Quintals. The sale of Bio-Fertilizers & City Compost stood at 554 MT & 26466 MT respectively. The company has also achieved production & sale of Bentonite Sulphur to the tune of 18,051 MT & 18,752 MT respectively. Your Company sold 554 MT of Bio-Fertilizers (Solid & Liquid) worth ₹2.08 crore in F.Y. 2024-25 as against 568 MT of ₹1.97 crore during CPLY.

The revenue from trading of various agro products is steadily on the rise. The Company has registered total revenue of ₹144.89 crore towards trading of various agro products such as seeds, pesticides & compost and RFCL ammonia during the year.

During the year 2024-25, your Company made a progressive shift in strategy to focus on the sales of non-subsidized fertilizers to increase the profitability in the long term and reduce the dependence on Urea. In line with the Hon'ble Prime Minister's PM PRANAM initiative for the Restoration, Nourishment, and Amelioration of Mother Earth, the company added products such as PDM (Potash Derived from Molasses), FOM (Fermented Organic Manure), WSF (Water Soluble Fertilizers) in its product portfolio. The growing adoption of these products nationwide by the farmers is resulting in enhanced soil health and efficient fertilizer use. With a significant increase in the sales of these products, your company has also sold 44,681 MT PDM (Potash Derived from Molasses) during the year 2024-25.

With the revamped strategy, the composition of gross sale of the Company has undergone visible change in the last ten years. During the year 2015-16, the Urea contributed 94.49% in the overall sale of the Company. In the year 2024-25, the Urea contribution in the overall sales has come down to 66.98%, while contribution of non-Urea business in the overall revenue has reached to 33.02%. The strong growth in the non-subsidized fertilizers business underscores our successful diversification and expansion beyond the Urea segment.

To cater to the sulphur deficiency of the soil, your company has launched Urea Gold - a new variety of Urea that is coated with Sulphur. The company is setting up a Sulphur Coated Urea (Urea Gold) plant having annual capacity of 5000 MTPA at its Panipat and Nangal Units under R&D Project. During the Financial Year 2024-25, 24 MT of Urea Gold was produced and 10 MT was dispatched.

The company is also in the process of implementing Hi Tech Nano Urea project (with more Nitrogen content, which will give more benefit to the farmers) in Nangal Unit at the earliest. The adoption of nano fertilizers, including nano Urea and nano DAP, can significantly lower the government's subsidy burden while delivering essential crop nutrition more efficiently and at a reduced cost.

The company remains committed to adopting green energy initiatives as part of its environmental protection efforts. The company is setting up a Roof top Solar PV power plant of 1500 KWp at its Panipat Unit. The plant is likely to be completed by the end of FY 2025-26. The company is also planning to set up Roof top Solar PV power plants at Nangal, Bathinda and Vijaipur Unit. Tentative capacities of these plants shall be 1735 KWp, 600KWp and 1220 KWp respectively.

Your company has always laid emphasis on upliftment of farming community by educating them on various aspects of crop production, animal husbandry and other allied agriculture sectors. During the year 2024-25, more than 11500 farmers got benefited through these education programmes. Farmers were sensitized to issues related with soil fertility status including deficiency of various nutrients, their remedy to increase fertilizer use efficiency and maximize yields. Farmers also visited Agriculture Universities/KVKs to obtain knowledge on latest farming techniques in agriculture during trips organised by the company.

During the year 2024-25, a number of demonstrations had been laid out at farmers' fields to demonstrate benefits of use of Arka Microbial Consortium liquid Biofertilizer, City Compost, Potash derived from Molasses (PDM), Fermented Organic Manure (FOM), Nano Urea and Water Soluble NPK fertilizer/Micronutrients on crop growth and yield as compared to farmer's own practices. More than 4500 farmers got benefitted from such programmes.

Your company is playing a vital role in supporting farmers by undertaking soil analysis for macro and micro nutrients through its 6 Static and 5 Mobile Soil Testing Labs (MSTLs) in various States. Based on the analysis, farmers are advised on soil fertility management through rational use of manure, fertilizers and other inputs to make agriculture more productive and sustainable. During the year, around 20,000 soil samples were collected & analysed for macro and micro nutrients and recommendations were given to the farmers. The company also continued its endeavour to render soil

testing services at the farmers' doorstep by organizing soil testing campaigns. More than 8000 farmers benefitted through these campaigns.

As per guidelines of Department of Fertilizers and with the objective to providing all the agricultural inputs and services to the farmers under one roof along with soil testing and advisory services, more than 13000 Fertilizer Shops have been converted into PMKSKs so far by putting up a fascia, installation of Smart TVs and developing other facilities in the shops. Farmers' education programmes are also regularly being organized in these PMKSKs.

Your company is empowering rural women and promoting sustainable agriculture through the NaMo Drone Didi initiative in Punjab and Madhya Pradesh. The program provides agricultural drones to women and trains them in using advanced drone technology for agricultural inputs in crops. This helps farmers in increasing crop yields, lower cost of farming, and adopting more sustainable farming practices. By introducing this technology in agriculture, NFL is not only empowering women with financial independence but also supporting the development of rural communities through innovation.

Your company remains committed to fostering inclusive growth through impactful Corporate Social Responsibility (CSR) initiatives. In FY 2024–25, a CSR budget of ₹567.06 lakh was allocated, with an actual expenditure of ₹680.55 lakh, which also covered ongoing schemes approved in the previous year.

In line with the Department of Public Enterprises' theme of Health & Nutrition, the company implemented multiple projects targeting women, adolescent girls, and marginalized communities. In the aspirational districts of Chitrakoot and Fatehpur (U.P.), campaigns were organized on menstrual hygiene, women wellness, nutritional awareness and breast cancer screening.

To strengthen skills in the healthcare sector, the Finishing Skills in Nursing Excellence (FINE) program trained 200 newly graduated female nurses in advanced clinical competencies.

The company boosted healthcare infrastructure in Bathinda (Punjab) by providing an Apheresis Blood Cell Separator to Civil Hospital and an Automatic Tumor Marker Analyzer to the Advanced Cancer Institute. Other initiatives included open gyms in Bidar (Karnataka), assistive devices for persons with disabilities in Guna (M.P.), and support through furniture, smart boards, RO systems, and playground equipment in Government schools. The company also installed 200 solar-powered LED street lights in villages near Nangal Unit. For skill development and livelihood generation, vocational training in the Production Supervisor – Sewing course was provided to 30 underprivileged youths at ATDC, Noida.

Through these targeted initiatives, your company addressed vital social needs while fostering healthier, more skilled, and better-educated communities.

Your company has undertaken various initiatives for adopting best practices for health, safety, environment management and sustainable development. The performance of your company on various fronts has been well noticed and appreciated by various organisations. The testimony is the number of awards won by your company during the year in the areas of Safety, Environment, Sustainability, Productivity, Rajbhasha, HRD, CSR and overall performance. Your company has received many awards from prestigious organisations, State and National institutions for its performance in these specific fields.

The philosophy of your company on Corporate Governance is to ensure transparency, disclosures and reporting that conforms fully with the laws and regulations of the country in order to promote ethical conduct & practices throughout the organization for enhancing stakeholder's value.

Your company is committed to comply with the provisions of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 relating to Corporate Governance and the guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises, Government of India.

As we continue our fulfilling journey, I express my gratitude for your continued support and faith in our endeavours. I also take this opportunity to sincerely thank and appreciate my colleagues on the Board of Directors for their valuable guidance and support in running the affairs of the Company. I also wish to express my thanks to the Department of Fertilizers, Fertilizer Industry Coordination Committee (FICC), Department of Public Enterprises (DPE), Railways, other Ministries and Departments of the Government of India and the various State Governments for their valuable guidance and look forward to their continued support.

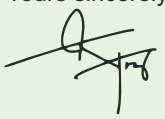
I would like to thank Statutory, Secretarial, Cost and Government Auditors, Banks, Regulatory Authorities for their guidance and support. I sincerely thank all our customers and business associates for their continued support. I would also like to thank all my colleagues in the company for their unflinching dedication, commitment and contribution to take NFL forward. The team strived tirelessly to deliver the best-ever results.

The above-normal monsoon forecast for 2025 promises a favourable harvest, and fertilizer demand is expected to rise accordingly. Building on this positive outlook, we hope to deliver stronger performance in the coming year, leveraging our capabilities, market presence, and strategic initiatives.

With the confidence reposed by all of you, we are looking forward to pursue our vision in a manner that develops trust and enhances the long term value for all stakeholders.

With best regards,

Yours sincerely,



(Dr. U. Saravanan)

Chairman & Managing Director

AWARDS & RECOGNITIONS



Dr. U. Saravanan, C&MD receiving the award for "Excellence in Learning & Development" in the 11th Governance Now PSU Awards



Dr. U. Saravanan, C&MD receiving the honour of Top 24 CPSEs bestowed upon NFL by Bureaucrats India Magazine

Performance at a Glance

Financial Highlights

Particulars	As per IND AS									
	2024-2025	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016
Re-Assessed Capacity (RAC) (Lakh MT)	32.31	32.31	32.31	32.31	32.31	32.31	32.31	32.31	32.31	32.31
Installed Capacity (Lakh MT)	35.68	35.68	35.68	35.68	35.68	35.68	35.68	35.68	35.68	35.68
Production (Urea) (Lakh MT)	37.14	36.89	39.35	35.23	37.99	37.27	38.59	38.10	38.10	37.99
Capacity Utilisation (Urea) (%) of RAC	114.9	114.2	121.8	109.0	117.6	115.4	119.4	117.9	117.9	117.6
Sales - **Finished Goods (a)**	2611	2478	2948	2433	2362	2106	2238	2271	2236	2129
Sales - **Traded Goods (b)**	3237	5029	4140	2456	2313	2565	1680	723	469	235
Subsidy (c)	13685	15734	22265	10715	6841	8111	8296	5934	4958	5430
TURNOVER (Net) (incl. Subsidy) (d=a+b+c)	**19533**	**23241**	**29353**	**15604**	**11516**	**12782**	**12214**	**8928**	**7663**	**7794**
Other Operating Service / Revenue (e)	**262**	**319**	**264**	**253**	**390**	**353**	**31**	**-**	**-**	**-**
Revenue from operations (f=d+e)	**19795**	**23560**	**29617**	**15857**	**11906**	**13135**	**12245**	**8928**	**7663**	**7794**
Other Income (g)	**95**	**99**	**193**	**34**	**33**	**57**	**56**	**96**	**45**	**47**
Total Expenses (h)	**19187**	**22941**	**28545**	**15279**	**10992**	**12276**	**11420**	**8426**	**7108**	**7237**
Earnings before depreciation, interest and tax (EBIDTA) (i = f + g - h)	703	718	1265	612	947	916	881	598	600	604
Interest and Finance Charges (j)	226	267	302	133	291	406	317	190	190	228
Depreciation (k)	373	362	353	334	312	374	101	73	85	87
Exceptional Items (l)	-	-	-	-	-	389	-	-	-	-
Profit/(Loss) before Tax (m=i-j-k-l)	104	89	610	145	344	-253	463	335	325	289
Tax Expenses (n)	28	24	154	37	94	-82	165	122	117	90
Profit/(Loss) after Tax (o=(m-n)	76	65	456	108	250	-171	298	213	208	199
Other Comprehensive Income (p)	-	-1	4	2	1	(25)	(2)	(2)	(1)	(7)
Total Comprehensive Income (Net of tax) (o+p)	76	64	460	110	251	-196	296	211	207	192
Gross Block	6895	6661	6445	6363	5421	5220	5116	4926	4603	7287
Net Fixed Assets	3694	3831	3969	4230	3615	3726	3993	4080	4059	4259
Current Assets, Loans and Advances	4941	6636	8009	5761	3502	9813	9493	5193	5778	6810
Current Liabilities and Provisions	4717	6583	7217	5422	3056	9281	8351	4303	4974	5323
Working Capital	224	53	792	339	446	532	1142	890	804	1487
Long Term Borrowings	-	-	535	630	648	597	280	115	172	1828
Short Term Borrowings	1996	4088	3456	2540	1135	7334	6122	2890	3154	4296
Net Worth (Paid up Capital*+ Reserve & Surplus)	2764	2701	2774	2282	2171	1921	2219	1987	1827	1691
Capital Employed	4843	6864	6832	5487	3968	9852	8682	5043	5162	2616

Key Indicators

Particulars	As per IND AS									
	2024-2025	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016
EBITDA/ Turnover (%)	3.60	3.09	4.31	3.92	8.22	7.17	7.21	6.70	7.83	7.75
EBITDA/ Revenue from Operation (%)	3.55	3.05	4.27	3.86	7.95	6.97	7.19	6.70	7.83	7.75
Receivable (in days)	61	63	51	65	83	221	214	160	203	225
Inventory (in days) - Finished Goods	10	22	35	46	7	27	41	15	17	15
Return (PAT) on Net Worth (%)	2.76	2.40	16.44	4.74	11.50	-	13.45	10.71	11.40	11.77
Return (EBIT) on Capital Employed (%)	6.81	5.18	13.34	5.06	16.00	5.50	8.98	10.40	9.97	5.81
Earning per Share of ₹10 (₹)	1.55	1.32	9.30	2.21	5.09	-	6.08	4.34	4.24	4.05
Debt/Equity Ratio (Long Term+Short Term)	0.72:1	1.51 : 1	1.44 : 1	1.39 : 1	0.82 : 1	4.13 : 1	2.88 : 1	1.51 : 1	#1.82 : 1	#3.62 : 1
Current Ratio	1.05:1	1.01 :1	1.11 :1	1.06 :1	1.15 :1	1.06 :1	1.14 :1	1.21 :1	1.16 :1	1.28 :1
Value Added per Employee (₹ In Lakhs)	89	94	101	70	75	73	72	61	54	55
Dividend (₹ In Crores)	76.53$	13.25	136.87	-	-	46.60	91.24	-	41.70	59.36
Dividend as % of Net Worth	2.77	0.49	4.93	-	-	2.43	4.11	-	2.28	3.51
Dividend as % of Profit after tax (PAT)	100.35	20.47	30.01	-	-	-	30.57	-	20.03	30.87
Profit (PAT) per employees (₹ In Lakhs)	2.98	2.36	15.25	3.60	7.77	-	8.95	6.20	5.92	5.35
Interest Coverage Ratio (No. of Times)	3.11	2.69	4.19	4.60	3.25	2.26	2.78	3.15	3.16	2.65
Debt Service Coverage Ratio (No. of Times)	3.02	0.76	2.81	2.43	1.90	2.12	2.40	1.87	1.82	2.13
Book Value per share (Rs.)	56.34	55.06	56.54	46.51	44.26	39.16	45.23	40.51	37.23	34.46
Price Earning Ratio **	51.85	66.38	7.79	24.00	11.06	-	5.81	12.43	18.08	6.99
Employees (Nos.) at the end of Financial Year	2562	2739	2990	3003	3213	3339	3333	3430	3517	3595

Debt - Equity ratio includes debts borrowed by company for Ammonia Feed Stock Conversion Projects (from 'LSHS/FO' to Gas) at Nangal, Bathinda and Panipat Unit which under the GoI Policy is reimbursed to the Company as Capital Subsidy.

* Paid up Capital of ₹490.58 Crore (i.e.49,05,78,400 Equity Shares of ₹10/- each fully paid up).

** Based on prevaling price of share at the end of financial year.

$ Board has recommended Final Dividend of Rs. 76.53 crore for FY 2024-25 for approval by shareholders.

Board's Report

Dear Members,

On behalf of the Board of Directors of your Company, I have the pleasure in presenting the 51st Annual Report on the business and operations of the Company together with the Audited Financial Statements including Consolidated Audited Financial Statements of the Company for the Financial Year 2024-25 and the Auditors' Reports and Comments of Comptroller & Auditor General of India (C&AG).

During the year, company achieved the Profit Before Tax of ₹104.08 crore as against Profit Before Tax of ₹88.52 crore during CPLY. PBT has increased mainly due to increase in contribution from sale of Urea and increase in contribution from Industrial products.

The Energy consumption per MT of Urea at NFL plants during 2024-25 was as follows:

(Gcal/MT/Urea)

Units	Energy Norms for 2024-25 as per NUP-2015	Actual Energy	
		2024-25	2023-24
Nangal	6.500	6.307	6.328
Panipat	6.500	6.321	6.303
Bathinda	6.500	6.298	6.574
Vijaipur I	5.500*	5.795	5.670
Vijaipur II	5.500	5.494	5.483

* DoF vide its notification dated 15-04-2024 extended target energy norms for Vijaipur I during 2024-25 up to 31st December 2024 with penalty of 35% of difference between Revised Energy Norms (REN) & Target Energy Norms (TEN). Actual Energy consumption at all units except Vijaipur I remained lower than TEN. During the year ended, energy consumption at all units remained higher except Nangal and Bathinda Unit as Compared to CPLY due to lower production and lessor on stream days.

Financial Highlights

Your Company's key financial parameters during the year 2024-25 and important financial highlights are as under:-

(₹ in crore)

Sr. No.	Particulars	2024-25	2023-24
01.	Sale of Urea quantity in (LMT)	37.32	36.66
02.	Sale quantity of traded Fertilizers (LMT)	26.05	33.08
03.	Sale of Urea own	1864.57	1920.08
04.	Subsidy on Urea	11218.36	11481.17
05.	Total Sales of Urea (3+4)	13082.93	13401.25
06.	Sale of other products including subsidy	6449.93	9840.18
07.	Sales Turnover (5+6)	19532.86	23241.43
08.	Sale of Services	48.46	40.80
09.	Other Operating Revenue	213.18	278.08
10.	Revenue from operations (7+8+9)	19794.50	23560.31
11.	Other Income	95.02	110.31

(₹ in crore)

Sr. No.	Particulars	2024-25	2023-24
12.	Total Income (10+11)	19889.52	23670.62
13.	Total Expenses	19186.76	22953.12
14.	Earnings Before Interest, Depreciation and Taxes (EBIDTA)[12-13]	702.76	717.50
15.	Interest	225.68	267.30
16.	Depreciation	373.00	361.68
17.	Profit Before Exceptional Item and Tax (14-15-16)	104.08	88.52
18.	Exceptional Item	-	-
19.	Profit Before Tax (PBT) (17-18)	104.08	88.52
20.	Provision for tax	27.82	23.78
21.	Profit After Tax (PAT) (19-20)	76.26	64.74
22.	Other Comprehensive Income (Net of Tax)	(0.13)	(0.61)
23.	Total Comprehensive Income (21+22)	76.13	64.13

RESERVES

Capital Reserves

The balance as at 31.03.2025 amounted to ₹2.51 crore, which is at the same level as was in the previous year.

General Reserves

The balance as at 31.03.2025 amounted to ₹331.84 crore, which is at the same level as was in the previous year.

Surplus

The balance retained in the surplus as at 31.03.2025 is ₹1939.04 crore as compared to ₹1876.16 crore during the previous year.

Dividend

The Board of Directors has recommended Final Dividend of ₹ 1.56 (15.60%) per equity share of ₹ 10 each on the paid up equity share capital of the company for the Financial Year 2024-25 which shall be paid after approval of the shareholders at the Annual General Meeting.

Major events during the year

State of Affairs of the Company and Change in the nature of Business

During the FY 2024-25, Company has achieved sale of fertilizers to the tune of 63.37 LMT comprising of 37.32 LMT of own Urea, 4.18 LMT of imported Urea and 11.99 LMT of RFCL Urea and 9.88 LMT of Non-Urea Fertilizers and against corresponding period last year 69.74 LMT that comprised of 36.66 LMT of own Urea, 5.46 LMT of imported Urea and 11.09 LMT of RFCL Urea, 16.53 LMT of Non-Urea Fertilizers. Sales contribution from other than own manufactured Urea of the company decreased to around 33% during the year as compared to 42% of the CPLY.

Your Company has achieved the production & sale of certified seeds to the tune of 0.94 Lakh Quintals. The sale of Bio-Fertilizers & City Compost of 554 MT & 26466 MT respectively achieved during the year.

Your Company has achieved the production of Urea of 37.14 LMT, sale of all fertilizers of 63.37 LMT. Your company has achieved production & sale of Bentonite Sulphur to the tune of 18,051 MT & 18,752 MT respectively. Your company has also sold 44,681 MT PDM (Potash Derived from Molasses) during the year.

Material changes and commitments

No material changes and commitments have occurred between the date of the Balance Sheet and the date of the Board's Report affecting the financial position of the Company.

Details of revision of Financial Statements or Board's Report

Company has not revised Financial Statements or Board's Report in respect of any of the three preceding financial years.

General Information

a) Brief history of the Company, overview of the industry and important changes in the industry during the last financial year

NFL was incorporated on 23rd August 1974 at New Delhi. It has an authorized share capital of ₹1000 crore and paid up and subscribed share capital of ₹490.58 crore out of which Government of India's share is 74.71% and 25.29% share is held by financial institutions, public & others.

The Company has five gas based Urea plants viz. Nangal & Bathinda plants in Punjab, Panipat plant in Haryana and two plants at Vijaipur in Madhya Pradesh with a total annual revamped capacity of 35.68 LMT (Annual Re- assessed capacity - 32.31 LMT) of Urea. The company also has a Bio- Fertilizers Plant at Vijaipur with annual capacity of 700 tones and a Bentonite Sulphur plant of 25000 MT per annum at Panipat Unit. It also manufactures other allied Industrial products like Nitric Acid, Ammonium Nitrate, Sodium Nitrate & Nitrite from its Nangal Unit and undertakes import & sale of other fertilizers like DAP, MoP, NPKS along with domestic trading of various agro-inputs like certified seeds, agrochemicals, City Compost, SSP etc. through its existing vast dealer's network under single window concept. The Company has also been producing and selling its own certified Seeds under company's flagship Seed Multiplication Program (SMP).

The Company has three Seed Processing Units (SPUs) at Bathinda, Panipat and Indore. The company also revived 2nd Stream of Nitric Acid plant at Nangal on October'2022. The Agrochemicals plant at Bathinda, Sulphur Coated Urea (SCU) plant at Panipat Unit has been commissioned and SCU plant at Nangal Unit and doubling capacity of Bio-Fertilizers plant at Vijaipur, which are expected to be commissioned in the FY 2025-26.

Overview of the industry and important changes thereof during the last financial year forms part of Management Discussion & Analysis Report.

b) Brief description of business segments and geographic segments;

Business Segment

In the light of present diversified business activities vis-à-vis IND AS 108 on Segment Reporting following operating segments have been considered for Segment Reporting for the Annual Accounts for the FY 2024-25:

i) Manufactured Fertilizers (Urea, Bentonite Sulphur, Bio-Fertilizers).

ii) Manufactured Chemicals (Industrial products, Agro chemicals, etc.).

iii) Traded Imported Fertilizers (under NBS).

iv) Others (Domestic Traded Products, Agro-Inputs, Sale of Services, etc.).

Geographic segments

The operation of the company is conducted within India and there is no separate reportable geographic segments.

c) External environment and economic outlook;

Details of external environment and economic outlook are given in Management Discussion & Analysis Report.

d) Induction of strategic and financial partners during the last financial year

No new strategic and financial partners have been inducted during the last financial year.

Capital Structure

Preference and Equity Shares

Company has not issued any equity shares or preference shares during the year.

Equity Shares with Differential Rights

During the financial year, Company has not issued any equity shares with differential rights as to dividend, voting or otherwise.

Employees Stock Option

During the financial year, Company has not issued any employees stock option.

Shares to Trustees for benefit of employees

Company has not introduced any scheme(s) for purchase/subscription of the Company's shares to be held by trustees for the benefit of employees.

Other securities which carries right of conversion into equity shares

During the financial year, Company has not issued any securities, which carries a right or option to convert such securities into equity shares.

Details of Deposits

The Company has not accepted any deposits during the year.

Credit Rating

During FY 2024-25, the credit rating of the Company was maintained with two credit rating agencies as under:

(Rated Amount in cr)

Instruments	ICRA				INDIA RATINGS			
	Credit Ratings	Limits (Rs. Crore)	Credit Ratings	Limits (Rs. Crore)	Credit Ratings	Limits (Rs. Crore)	Credit Ratings	Limits (Rs. Crore)
	2023-24		2024-25		2023-24		2024-25	
Long Term Fund Based Working Capital Facilities								
Cash Credit	[ICRA] AA (Stable)	9000	[ICRA]AA (Stable)	9000	IND AA/ Stable	9000	IND AA/ Stable	9000
Term Loan	-	-	-	-	-	-	-	-
ECB	-	-	-	-	-	-	-	-
Short Term Fund Based Working Capital Facilities								
Commercial Papers	[ICRA] A1+	4000	[ICRA] A1+	4000	IND A1+	4000	IND A1+	4000
Short Term Non Fund Based Working Capital Facilities								
LC/BG	[ICRA] A1+	9600	[ICRA] A1+	9600	IND A1+	9600	IND A1+	9600

During the year, the Credit Rating of the Company had been reviewed by both the agencies as shown above in the table.

Buy-Back of Securities

Company has not introduced Buy-Back of its securities during the year.

Sweat Equity

Company has not issued any Sweat equity shares in terms of Rule 8 of the Companies (Share Capital and Debentures) Rules, 2014.

Disinvestment of GOI Equity

There was no disinvestment of Government of India Shareholding during the Financial Year 2024-25. However, Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, Government of India had appointed few years back Legal Advisors, Merchant Bankers and Selling Brokers for the disinvestment of 20% paid up equity capital in National Fertilizers Limited (NFL) out of Government of India's Shareholding through the "Offer for sale by promoters through the Stock Exchanges".

Statement of deviation(s) or variation(s)

Company has not offered public issue, rights issue, preferential issue etc. during the year and there is no requirement to submit statement of deviation(s) or variation(s).

Foreign Exchange Earnings/Outgo

The Foreign Exchange earned in terms of actual inflows during the year were ₹1.82 crore and the Foreign Exchange outgo during the year in terms of actual outflow amounted to ₹2999.50 crore.

Borrowings

Long Term Loans

Long term net borrowings as on 31.03.2025 were Nil (previous year Nil).

Short Term Loans

Short Term borrowings of ₹1995.77 crore (previous year ₹4088.33 crore) were outstanding as on 31.03.2025.

Debt Equity Ratio

Debt equity ratio as on 31.03.2025 has decreased to 0.72:1 as compared to 1.51:1 of previous year due to decrease in borrowings.

Revenue

The Company has achieved Revenue from Operations of ₹19794.50 crore during 2024-25 as against ₹23560.31 crore during previous year and total income of ₹19889.52 crore during 2024-25 as against ₹23670.62 crore during previous year as detailed below:

(₹ in crore)

Particulars	2024-25	2023-24	Change
Sale of products (including subsidy)	19532.86	23241.43	(3708.57)
Sale of services	48.46	40.80	7.66
Other Operating revenue	213.18	278.08	(64.90)
Revenue from operations	19794.50	23560.31	(3765.81)
Other income	95.02	110.31	(15.29)
Total Revenue	19889.52	23670.62	(3781.10)

Urea and other fertilizers

Your Company has registered Urea production of 37.14 LMT with an overall capacity utilization of 114.95 % during 2024-25 against 36.89 LMT achieved during 2023-24 (CPLY).

Company achieved Bentonite Sulphur production of 18051 MT against CPLY of 20237 MT decrease of around 10.8 %.

On the sales front, the Company has sale of Fertilizers of 63.37 LMT that includes sale of 37.32 LMT of own Urea, 4.18 LMT of Imported Urea, 11.99 LMT of RFCL Urea, 9.88 of Non-Urea Fertilizers including 0.26 LMT (26466 MT) of Compost during 2024-25 as compared to 69.74 LMT during 2023-24 which includes sale of 36.66 LMT of own Urea, 5.46 LMT of Imported Urea, 11.09 LMT of RFCL Urea, 16.53 LMT of Non-Urea Fertilizers including 0.19 LMT (19129 MT) of Compost.

The detailed quantity of break-up of sale of urea and other Fertilizers is as under:

(in LMT)

Product	2024-25	2023-24	Change
1.Manufactured			
a) Urea	37.32	36.66	0.66
b) Bentonite Sulphur & Bio-Fertilizers	0.20	0.22	(0.02)
2. Traded Goods			
a) Imported	8.51	15.82	(7.31)
b) Indigenous	17.34	17.04	0.30
Total Fertilizers	**63.37**	**69.74**	**(6.37)**

Industrial Products

The Company registered sale of Nitric Acid of 99745 MT during 2024-25 as compared to previous sale of 87249 MT during 2023-24. The Company also recorded sale of Ammonium Nitrate to the tune of 55502 MT during 2024-25 as compared to sale of 40510 MT achieved during 2023-24.

In terms of revenue generation from production and sale of Industrial products, the Company achieved sale of Industrial-Products (IP) comprising of Nitric Acid, Sodium Nitrate etc. to the tune of ₹673.48 crore during 2024-25 against CPLY of ₹470.87 crore during 2023-24.

Bio-Fertilizers

The Company sold 554 MT of Bio-Fertilizers (Solid & Liquid) to the tune of ₹2.08 crore in FY 2024-25 as against 568 MT of ₹1.97 crore during CPLY.

Import & sale of Fertilizers

The Company sold 8.51 LMT of imported Non-Urea Fertilizers including DAP, MoP, APS, NPK etc. worth ₹ 4524.64 crore during 2024-25 against 15.82 LMT worth ₹8089.55 crore during 2023-24.

Apart from the above, NFL also sold 4.18 LMT of Urea imported in Government Account in FY 2024-25 against 5.46 LMT during 2023-24.

Domestic Trading of Agro Products

The Company has registered total revenue of ₹144.89 crore towards trading of various agro products such as seeds, pesticides & compost and RFCL ammonia during the year against ₹174.71 crore during CPLY.

Gross Sale Composition

Item	% of total Sale Composition		% Increase/(Decrease)
	2024-25	2023-24	
a) Urea (manufactured)	66.98	57.66	16.16
b) Other Products	33.02	42.34	(22.01)

Owing to progressive shift in strategy of the Company, the composition of gross sale of the Company has undergone visible change. Against the Urea (main product) contribution of 94.49% in the overall revenue of the Company during 2015-16, Urea (manufactured) contribution has reduced to 66.98 % while contribution of other product has increased to 33.02 % during 2024-25. Percentage of total sale composition of other products during the year has reduced to 33.02% as compared to 42.34% during 2023-24 mainly due to lower import due to increase in global prices of imported fertilizer.

Agriculture Extension Activities

Agriculture is the main source of livelihood for the farmers, which include crops, animals and allied activities. Agriculture Extension Activities are being undertaken by your Company by educating farmers on efficient use of all agro-inputs along with total know-how on improved and scientific methods of cultivation.

Dealers/Retailers are important link between the Company and the farmers. They are key change agents in motivating farmers to use fertilizers in a balanced manner. During the year 2024-25, 42 dealer's/retailer's Orientation Programmes were conducted and more than 1700 dealers/retailers were facilitated by upgrading their knowledge regarding fertilizers/agro products and improved crop practices so that latest information can be disseminated at point of purchase to the farmers.

Your Company has always laid emphasis on upliftment of farming community by educating them on various aspects of crop production, animal husbandry and other allied agriculture sectors. 145 Farmer Training programmes were organized during 2024-25 and more than 11500 farmers got benefited. Through these educational programmes, farmers were sensitized to issues related with soil fertility status including deficiency of various nutrients, their remedy to increase fertilizer use efficiency and maximize yields. The farmers have also been educated on benefits of long term usage of Bio-fertilizers and City Compost through these programmes.

Agriculture Universities, Research Stations, KVKs are the knowledge centres for latest farming techniques, new and high yielding crop varieties, innovative technologies in agriculture and allied agriculture sectors etc. During the year with the objective to promote balanced and sustainable use of fertilizers, soil analysis, methodology of application of different fertilizer, new technologies etc., an opportunity was given to the farmers to practically visit the above places by organizing farmers visit to nearby Agriculture University/Research Station/KVKs. More than 150 farmers got benefitted through 5 such programmes during the year 2024-25.

During the year 2024-25, total 108 demonstrations had been laid out at farmers' fields to demonstrate benefits of use of Arka Microbial Consortium liquid Biofertilizer, City Compost, Potash derived from Molasses (PDM), Fermented Organic Manure (FOM), Nano Urea and water soluble NPK fertilizer/Micronutrients on crop growth and yield as compared to farmer's own practices. 128 Field days were organized in the demonstration fields and more than 4500 farmers got benefitted from such programmes.

Your Company is playing a vital role in supporting farmers by undertaking soil analysis for macro and micro nutrients through its 6 Static and 5 Mobile Soil Testing Labs (MSTLs) in various States. Based on the analysis, farmers are advised on soil fertility management through rational use of manure, fertilizers and other inputs to make agriculture more productive and sustainable. During the year, around 20,000 soil samples were collected & analysed for macro and micro nutrients and recommendations were given to the farmers.

During the year 2024-25, your Company continued its endeavour to render soil testing services at all the farmers' doorstep by organizing soil testing campaigns. During these campaigns, services of our Mobile Soil Testing Vans and laboratory staff were suitably utilized for collecting soil samples by demonstrating the correct method of sampling to the farmers and by offering on the spot soil analysis and advisory on the basis of soil test results. 38 such campaigns were organized during the year 2024-25 and more than 8000 farmers benefitted.

Participation in agro exhibitions and university Kisan Melas are very effective ways to communicate directly with the farmers and also to interact with scientists and experts from various agricultural fields. During the year 2024-25, your Company participated in 41 Krishi Melas/Agriculture Exhibitions organized by leading Agriculture Universities, Agriculture Departments etc. in the States of Punjab, Haryana, UP, Uttarakhand, Bihar, MP, Chhattisgarh, Rajasthan, AP and Telangana which was attended by more than eighty thousand farmers.

As per guidelines of Department of Fertilizers (DoF) dated 24.08.2022 and with the objective to provide all the agricultural inputs and services to the farmers under one roof along with soil testing and advisory services, more than 13000 Centre has been converted into PMKSKs so far by putting up a fascia, installation of Smart TV and developing other facilities in the shops. Farmer education programmes are regularly being organized in these PMKSKs.

Projects

The details of the projects including capital expenditure envisaged are given in the Management Discussion & Analysis Report.

Management Discussion & Analysis Report

Management Discussion & Analysis Report covering business prospects including modernization, diversification, investments, marketing plans, raw materials, human resource, internal management controls including financial performance review, government policies and other factors having impact on the performance of the Company operations and future outlook of the Company is appended as **Annexure-1** to this Report.

Business Responsibility and Sustainability Report

SEBI vide circular no. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated 10.05.2021 had introduced the "Business responsibility and sustainability reporting by listed entities", which introduces new reporting requirements on Environment, Social and Governance parameters [ESG parameters] called the Business Responsibility and Sustainability Report (BRSR). The reporting as required under Regulation 34 of SEBI (LODR) Regulations, 2015 was amended for the listed entities and the same shall be mandatory for the top 1000 listed companies (by market capitalization) with effect from the financial year 2022-2023.

Your Company in adherence to the circular had prepared the Business Responsibility and Sustainability Report for the financial year ended March 31, 2025 and the same is appended as **Annexure-2** to this Report. Business Responsibility and Sustainability Policy is available on the website of the Company at www.nationalfertilizers.com.

Stakeholders' relationship

Details of stakeholders' relationship are given in the Business Responsibility and Sustainability Report annexed to this Report.

Customers' relationship

Details of customers' relationship are given in the Business Responsibility and Sustainability Report annexed to this Report.

Corporate Governance

The Company is committed to maintain the highest standards of Corporate Governance being the fountain head of value creation for all stakeholders especially shareholders. The Company has in place a well-defined "Corporate Governance Mechanism" which considers the interest of all stakeholders.

Pursuant to SEBI (LODR) Regulations, 2015 (as amended from time to time) and DPE Guidelines on Corporate Governance, a report on Corporate Governance is appended as **Annexure-3** which forms part of this Report.

The Secretarial Auditor of the Company have examined and certified Company's compliance with respect to conditions enumerated in SEBI (LODR) Regulations, 2015 and DPE guidelines on Corporate Governance. Secretarial Auditor's Certificate on Corporate Governance and explanations of the Management to Secretarial Auditors' observations during the year 2024-25 is appended as **Annexure-4** which forms part of this Report.

Visit of Parliamentary Committees during 2024-25

The following Parliamentary Committee interacted with the Company during the year 2024-25:

1. Study Visit of the Standing Committee on Chemicals and Fertilizers to Chennai, Hyderabad, Kochi, Kumarakom and Kolkata from 16th January to 20th January, 2025.

2. Study Visit of the Committee on Public Undertakings (COPU) to Kumarakom, Kochi and Puducherry from 17th January to 22nd January, 2025.

Material Orders of Regulators

Following regulatory orders issued for implementation may affect/ have affected the operations of the plants:

1.0 Implementation of NUP-2015 Energy Norms

The Department of Fertilizers (DoF) has granted stage-wise extensions in the NUP-2015 norms to ensure the smooth attainment of Target Energy Norms (TEN) at each fertilizer unit across the industry. Initially, the target norms were extended and revised for the fiscal years 2018 and 2019, with penalties of 2% and 5% respectively. Following representations from units, the TEN were further revised up to Sep 2022 and Mar 2023, with penalties of 10% and 10% + 2% respectively.

Energy-saving schemes at Bathinda, Panipat and Nangal units were implemented by Jan 2022, while for Vijaipur-I & II, schemes were completed by Mar 2023. Despite the enforcement of target norms for all units by the Department of Fertilizers (DoF), the Vijaipur I unit could not achieve the TEN of 5.5 Gcal/MT urea as envisaged in the TEFR prepared by PDIL, and its energy is expected to remain higher than the norm without significant investment.

Upon representations made to DoF and further escalation of the matter to the Department of Expenditure (DoE) by DoF, DoE revised the TEN for Vijaipur I until 31.03.2024 with a 30% penalty, which was subsequently extended until Dec 2024 with a penalty of 35% as per their letter dated 15.04.2024. It has been emphasized in both communications that no further extensions shall be granted and DoF has been advised to expedite the process of forming a committee under NITI Aayog for the revision of TEN under NUP-2015.

In this regard, DoF has been requested through various letters to extend the relaxed energy norm target for NFL Vijaipur I until March 31, 2025. It has been additionally requested for reclassification of NFL Vijaipur I under Group II of the New Urea Policy (NUP)-2015, similar to RCF-Thal, to ensure a level playing field.

2.0 Amendment in import policy of Urea

Directorate General of Foreign Trade, Department of Commerce, Ministry of Commerce & Industry, Government of India issued a notification on 18th March, 2024 regarding amendment in import policy condition of Urea [Exim Code 31021010] in the ITC (HS) 2022, Schedule - I (Import Policy) with immediate effect.

According to the revised policy, import of urea was allowed through RCF and NFL subject to Para 2.21 of Foreign Trade Policy, 2023. In addition, import of urea was also allowed through IPL for a period upto 31st March, 2025.

3.0 NBS rates for P & K fertilizers for Kharif-2024

DoF issued a notification on 1st March, 2024 and revised the subsidy rates for P&K fertilizers under NBS policy for Kharif 2024 (from 1st April, 2024 upto 30th September, 2024). The per kg NBS rates of P&K increased from ₹ 20.82 during Rabi 2023-24 (from 1st October, 2023 to 31st March, 2024) to ₹ 28.72 for Kharif 2024. However, per kg NBS rates of N, K and S remained unchanged at ₹ 47.02, ₹ 2.38 and ₹1.89 respectively.

Further, Government approved One-time special package on DAP beyond the NBS rates on actual PoS (Point of Sale) sale of DAP for the period from 1st April 2024 till 31st December 2024 @ ₹ 3500 per MT to the

P&K fertilizer companies to ensure sustainable availability of DAP at affordable prices to the farmers. The One-time special package on DAP includes only the actual expenses incurred by the companies to ensure the availability of DAP for the farmers subject to maximum of ₹ 3,500 per MT only.

Accordingly, NBS rates per MT of DAP & SSP increased from ₹ 18,041 (excluding ₹ 4500 PMT special package) and ₹ 3540 per MT during Rabi 2023-24 to ₹ 21,676 (excluding ₹ 3500 PMT special package) and ₹ 4,804 per MT, respectively, for Kharif 2024. NBS rates for NP/NPK grades of fertilizers ranged between ₹ 6,849 per MT and ₹ 21,208 per MT for Kharif 2024.

Subsidy on Potash Derived from Molasses remained unchanged at ₹ 345 per MT for Kharif 2024. The per tonne additional subsidy for fortified fertilizers with boron and zinc continued and remained unchanged at ₹ 300 and ₹ 500, respectively.

4.0 NBS rates for P & K fertilizers for Rabi-2024-25

As per OM dated 20th September, 2024, DoF revised the subsidy rates for P&K fertilizers under NBS policy for Rabi 2024-25 effective from 1st October, 2024 upto 31st March, 2025. The per kg NBS rates for P increased from Rs. 28.72 during Kharif 2024 to Rs. 30.80 for Rabi 2024-25. The per kg NBS rates of N and S decreased from Rs. 47.02 and Rs. 1.89 during Kharif 2024 to Rs. 43.02 and Rs. 1.76 respectively for Rabi 2024-25. However, per kg NBS rates of K remained unchanged at Rs. 2.38.

Accordingly, NBS rates per MT of DAP and SSP increased from Rs. 21,676 (excluding Rs. 3500 PMT special package) and Rs. 4,804 per MT during Kharif 2024 to Rs. 21,911 (excluding Rs. 3500 PMT special package) and Rs. 5,121 per MT, respectively, for Rabi 2024-25. NBS rates for NP/NPK grades of fertilizers ranged between Rs. 6,947 per MT and Rs. 20,748 per MT for Rabi 2024-25. Subsidy on Potash Derived from Molasses remained unchanged at Rs. 345 per MT for Rabi 2024-25. The per tonne additional subsidy for fortified fertilizers with boron and zinc continued and remained unchanged at Rs. 300 and Rs. 500 respectively.

Summary of Changes in NBS Rates during FY 2024-25 and its impact on revision of subsidy:

NBS (₹ Per Kg of Nutrient)			
Nutrient	OM Dt. 01.03.2024	OM Dt. 20.09.2024	OM Dt. 28.03.2025
	Kharif-2024	Rabi-2024-25	Kharif-2025
N	47.02	43.02	43.02
P	28.72	30.80	43.60
K	2.38	2.38	2.38
S	1.89	1.76	2.61

5.0 Guidelines on advantage/disadvantage due to upward/downward trend in the prices of P&K fertilizers to the importers

DoF vide their letter No. 23011/127/2024-P&K dated 01.10.2024, provided guidelines on advantage/disadvantage due to upward/downward trend in the prices of P&K fertilizers to the importers, wherein it has been informed that in order to ensure availability of P&K fertilizers in the upcoming Rabi season (2024-25), it has been decided with the approval of the Cabinet that advantage/disadvantage due to upward/downward trend in the prices of P&K fertilizers including custom duty would be passed on to the importers beyond the NBS rate effective for the shipments which arrive w.e.f. 01.09.2024 (to ensure pre-positioning) to 31.03.2025 and as per final invoices and bill of entry duly certified by statutory auditor of the company and duly examined in DoF. The CFR-price of P&K fertilizer including customs duty beyond,

(above/below) the benchmark rate only will be considered under the provision. The Benchmark rate for DAP is the rate considered for NBS subsidy for Rabi 2024-25 (01.10.2024 to 31.03.2025) (DAP –Benchmark rate 559.71 USD/MT and Exchange rate Rs. 83.23/ USD).

6.0 Extension of One-time Special Package on DAP beyond the NBS subsidy for the period from 01.01.2025 till further orders

The Union Cabinet, approved the proposal of the Department of Fertilizers for extension of One-time Special Package on Di-Ammonium Phosphate (DAP) beyond the NBS subsidy @ Rs 3,500 per MT for the period from 01.01.2025 till further orders to ensure sustainable availability of DAP at affordable prices to the farmers.

7.0 Letter to DoF for additional compensation towards Loss @ Rs. 1286 PMT being incurred on account of GST while importing DAP

Vide NFL letter dated 14.02.2025, DoF was informed that for DAP, MRP of Rs. 27000/- PMT was considered instead of Rs. 25714 [Rs.27000 - Rs.1286 (GST)] while fixing NBS and hence this negative contribution resulted in losses to the company. Accordingly, DoF was requested to reimburse additional compensation of Rs. 1286/- PMT towards GST liability.

8.0 Plastic Waste Management Rules 2016

The Ministry of Environment Forests and Climate Change (MoEF & CC), Government of India, vide Gazette Notification dated 18 March, 2016 has specified rules for Plastic Waste Management. The Rules fix the responsibility of local bodies, Gram Panchayat and Waste generators, as well as producers, importers and brand owners for collection and management of plastic waste. However, subsequent amendments have also come in 2018 and later on Plastic Waste Management Rules were amended as Plastic Waste management Rules, 2022.

Fertilizer industry falls under the category of brand owners as the fertilizer products are sold in plastic bags that are multi-layered and composed of HDPE/HDPE lined with polypropylene. All the Brand Owners who introduce the products in the market have to establish a system or plan for collecting back the plastic waste generated due to their products. As per rules, NFL has to register with Central Pollution Control Board (CPCB) and submit along with action plan to comply with Extended Producer Responsibility (EPR) obligation as mentioned in the rule.

Accordingly, NFL applied for the registration and got registration as a Brand Owner under PWM Rules on 21.06.2022 with 01 year validity. The same is being renewed every year.

For the FY 2024-25, renewal of registration has been done and target of 16322 MT of collection and recycling plastic waste of Cat-I & II (combined) by CPCB has been completed by NFL by lining up parties/agencies.

The Right to Information

In line with the provisions of Right to Information Act, 2005, an appropriate mechanism promoting transparency and accountability is functional across the Company. The Public Information Officers and Appellate Authorities are effectively responding to the requests and appeals of the applicants. The names of all PIOs / First Appellate Authorities / Transparency Officer are displayed on the Company's website. During the year, 601 RTI applications were received and were dealt with as per provisions under RTI Act, 2005.

Vigil Mechanism

Pursuant to the provisions of Sections 177(9) and (10) of the Companies Act, 2013, a Vigil Mechanism for employees and others to report genuine concerns has been established.

Whistle Blower Policy

Company believes in transparency and propriety in all its business dealings. To take this object further Company has put in place a Whistle Blower Policy providing for a mechanism to the employees and other stakeholders to report concerns about unethical behaviour, actual or suspected fraud or violation of Code of Conduct or Ethics Policy. The Policy provides for adequate safeguards against victimization of whistle blowers. The policy is reviewed periodically. No employee or other stakeholders were denied access to the Audit Committee. Whistle Blower Policy is available on the website of the Company at www.nationalfertilizers.com.

Integrity Pact

With the commitment to maintain the highest standard of transparency and governance, your Company has entered into an integrity Pact with Transparency International and has also appointed Independent External Monitors (IEMs), as nominated by CVC. Structured Meetings are held with IEMs on regular intervals and threshold value is Rs. 1 crore for signing of Integrity Pact for purchase/works contracts.

Vigilance

Vigilance Division of the Company is headed by CVO. The CVO is assisted by a team of officers drawn from various functional departments. Vigilance set up is operational in Corporate Office, all Manufacturing Units as well as Zonal Marketing Offices.

Promotion of good governance remains the core area of vigilance. Awareness is an important cornerstone for good governance. An enlightened employee not only contributes in achieving the organizational goals but is also instrumental in system improvement.

As an effort towards promoting Preventive Vigilance, Workshops / Training Programs were conducted during the year in all Offices & Production units. These training programmes focused on various issues related to manuals and procedures. In line with the guidelines of CVC & DoF with respect to Preventive Vigilance Module, two days training programmes were conducted for in service officials working on sensitive posts and also new appointees were sensitized on this. In addition various outreach activities are being done with different stakeholders like dealer through Dealer meets and Farmers through Kisan Mela.

Special Seminars on vulnerable area are being organized in all manufacturing Units and Zonal Offices involving officials at all levels on the areas of Capacity Building, Systemic Improvement, Dynamic Digital Presence, Updation of Manuals/Circulars/Guidelines and Speedy Disposal of Complaints. Further, Capacity building was done on the following key Preventive Vigilance areas apart from focus on PIDPI provisions:

(i) Ethics and Governance

(ii) Conduct Rules

(iii) Systems and Procedures of the organization

(iv) Cyber Hygiene and Security and

(v) Procurement

Regular preventive vigilance activities such as Scrutinies, Surprise checks, Vigilance clearance for administrative decisions, enforcement of Transfer Policy and Rotation of Officers on Sensitive Posts were also carried out in close coordination with the Management. At the same time, investigation of complaints received from various sources and follow up of pending departmental action on previous investigated cases were also done with due diligence.

Periodic Vigilance Reports preparation of Agreed List of Officers, List of Officers of Doubtful Integrity, and observance of Vigilance Awareness Week in Units, Zonal Offices and Corporate Office were the major activities conducted during the year.

The working of vigilance wing of NFL is based on a proactive, participative and focused approach. The roles and responsibilities of vigilance officers are regularly monitored and reviewed to bring the focus on systemic improvements.

MoU

The Department of Public Enterprises, Government of India, in order to improve accountability and giving higher autonomy to Public Sector Enterprises, introduced the Concept of MoU during early nineties. NFL signed its first MoU with the Department of Fertilizers (DoF) for the year 1991-92.

Based on financial performance and achievement of other parameters laid down, your Company has been rated "Good" as per the Memorandum of Understanding (MoU), signed with the Government of India for the financial year 2023-24. From the year 2021-22 and onwards, DPE has started data entry module of digital MoU Dashboard for CPSEs for entering data. Accordingly, MoU for the year 2024-25 was generated through online MoU portal after entering requisite information. The Ministry and the CPSEs were requested to sign this system generated MoU. Further, Company shall submit actual achievement against all the parameters for 2024-25 in the online MoU portal for evaluation.

Awards & Accolades received during 2024-25

- Dr. U Saravanan, C&MD has been conferred with a honoris causa degree of Doctor of Philosophy in Financial Distress, Turnaround & Social Engagements by the Maryland State University, USA.
- NFL Panipat Unit conferred with Apex India Green leaf award 2023 (Platinum award) for energy efficiency from Apex India Foundation.
- Panipat Unit Winner of 16th Exceed Gold Award in Environment.
- Platinum award in Occupational Health by Greentech Global Environment, Health and Safety to Sh. Vijay Bangar, ED at Bangkok, Thailand on 27th June 2024.
- Platinum Award in Safety Presented by FAME to Sh. Rakesh Kumar Gandotara, GM (O&M) at Dehradun on 12th June 2024.
- For social contribution, NFL has been awarded "Responsible Business in Fertilizer Sector" during the Sustainable Business Awards ceremony held in Mumbai on 11th July. This award was conferred to NFL for its efforts and contribution towards Women Empowerment and Employment Generation initiative through distribution of 70 Drone Didi under CSR to Punjab and Madhya Pradesh. The award was presented by Indira J. Parikh, former Professor of IIM.
- NFL has been conferred with "Official Language" Award for promoting the use of Hindi at the workplace during the Hindi Conference organized in New Delhi.
- Nangal Unit has won GOLD AWARD for 16th Exceed Energy Efficiency Award under CATEGORY: ENERGY EFFICIENCY/ CONSERVATION was conferred on 2nd August, 2024 at Hyderabad.
- Panipat Unit has won "EXCEEDS award for Environment Conservation" in the month of August 2024.
- Bathinda Unit received "16th EXCEED Green Future Platinum Award-2024" in Energy Efficiency/Conservation category from Sustainable Development Foundation.

- NFL Corporate Office Noida has won the following awards:
  - Public Sector "Excellence Award" during Dun & Bradstreet PSU & Govt. Summit 2024 held in New Delhi.
  - NFL wins four Awards during Sustainable Agriculture Summit & Awards 2024 held on 7th August 2024 in New Delhi.
  - Smart Drone Adoption Award for its exceptional contributions during Viksit Bharat Sankalp Yatra by way of sharing knowledge with farmers about the use of Agriculture Drones.
  - CSR for sustainability Award for providing drones to Drone Didis in India under the Namo Drone Didi (NDD) Scheme.
  - Soil Care Achievement Award for NFL's Soil Testing Services and
  - Big Boost Solutions Award.
- Corporate office, Noida received 14th PRCI Collateral awards 2024 in Mangalore as mentioned below:
  - Gold Prize for Rural development Communication (Drone Didi Campaign).
  - Silver Prize for Government Communication Films (Film on FOM).
  - Consolation Prize for House Journal in English (Vani).
  - NFL Corporate Office, Noida wins award for Excellence in Learning and Development during 11th Governance Now PSU awards function at New Delhi. Dr. U Saravanan, C&MD NFL received the award from Dr. Satya Pal Singh former Union Minister (HRD) and Ex Commissioner of Police, Mumbai.
- Nangal Unit received "Mukutmani" Shield for its contribution and highest performance in the publicity of Hindi as Rajbhasha.
- Nangal unit received prestigious Apex India Occupational Health & Safety Awards 2024 (Platinum Award in the Fertilizer Sector).
- Bathinda Unit received award for Rajbhasha Samman Shield presented by Rajbhasha Evam Prabandhan Vikas Sansthan.
- Vijaipur Unit received Platinum Award in training Excellence 2024 by Apex India at Goa.
- Vijaipur Unit received an award in Occupational Health & Safety by Apex India at Goa.
- Rajbhasha Samman Shield and Certificate to Rajbhasha Department by Institute of Official Language and Management at Kanyakumari. Bhopal Vigyan Mela was held from 27th to 30th December, 2024 at Bhopal by Vigyan Bharti Madhya Pradesh & Madhya Pradesh Vigyan evam Prodhyogiki award and certificate for 4th position was given to Vijaipur Unit.
- Vijaipur Unit also secured 1st position and Certificate by Narakas Guna for excellence in Hindi on 18th December, 2024.
- Bathinda Unit was awarded with 22nd Green Tech Global Winner Award in Work Place Safety Excellence – 2024.
- Vijaipur Unit was awarded with GREEN ENVIRO foundation Safety Excellence Platinum award -

2025.

- Vijaipur Unit was also awarded with HSE Platinum 7 star award in the field of Health Safety and Environment by MP safety council.
- Vijaipur Unit was also awarded with Greentech Corporate Communication and Public Relations award for Innovation in public relations campaign category.
- Vijaipur Unit also won FAME NATIONAL AWARD 2024 in the field of Environment Management, Environment Protection and Waste Management.
- NFL Vijaipur Unit received Certificate of appreciation from NSCI, Mumbai by Safety Department.

Initiatives under Corporate Social Responsibility

Company is constantly working towards inclusive growth in the society and is implementing various developmental activities under its Corporate Social Responsibility (CSR).

The company allocated a CSR budget of Rs. 567.06 Lakhs in the FY 2024-25 and incurred an expenditure of Rs. 680.55 Lakh during the year. This included expenditure on ongoing schemes approved in previous year but carried forward in the year 2024-25.

In the year 2024-25, the focus of CSR activities of the Company was on the theme given by Department of Public Enterprises (DPE) i.e. Health & Nutrition. To promote health and menstrual hygiene management among women and adolescent girls from weaker sections of society, the Company undertook a CSR project in Aspirational Districts Chitrakoot & Fatehpur (U.P.). The initiative included educational campaigns focusing on breast health, menstrual hygiene, aging and menopause wellness, nutritional awareness, and breast cancer screening camps for marginalized communities.

Additionally, the Company supported skill enhancement in the healthcare sector by training 200 freshly graduated female nurses through the 'Finishing Skills in Nursing Excellence' (FINE) program, aimed at equipping them with advanced clinical competencies.

To strengthen medical infrastructure, the Company provided an Apheresis Blood Cell Separator Machine to Civil Hospital, Bathinda and an Automatic Analyzer for Tumor Markers to the Advanced Cancer Institute, Bathinda (Punjab), contributing to improved diagnostic and treatment capabilities.

As part of its preventive healthcare initiatives, the Company launched a Mobile Digital Health Clinic to conduct essential metabolic screenings across slums and rural areas in Delhi-NCR. The project benefitted approximately 5,000 individuals across more than 40 locations. In an effort to promote physical well-being, the Company established Community Fitness Centres i.e. Open Gyms in District Bidar, Karnataka, encouraging fitness and healthier lifestyles.

To support the inclusion of Divyangjans, the Company distributed assistive devices and artificial limbs including wheelchairs, motorized tricycles, hearing aids, and crutches to persons with disabilities in the Aspirational District of Guna, Madhya Pradesh.

In the area of education, all the Units of the Company have supported Government Schools in their vicinity through provision of school desk & benches, IT enabled smart boards, swings, fans, RO facilities etc., helping in creating learning environment for students.

The Company also installed 200 nos. LED Solar Street Lights in villages near Nangal Unit for providing proper lighting in the area for the local residents. Solar street lights are environment friendly as they use renewable form of energy and require less maintenance.

To promote skill development and livelihood opportunities, the Company provided vocational training in the Production Supervisor – Sewing course at ATDC Noida to 30 underserved youths. Additionally, skill training in fashion designing and stitching was imparted to 50 women from economically weaker sections in Delhi, empowering them with sustainable employment opportunities.

A detailed report on the Corporate Social Responsibility is appended as **Annexure-5** forms part of this Report.

RESEARCH & DEVELOPMENT

Calcium Nitrate

NFL Nangal Unit has prepared Calcium Nitrate with Magnesium (Suspension) under R&D activities as per FCO. The improvement in the stability of the synthesized product is being explored.

Urea Gold (Sulphur Coated Urea)

Under R&D, a pilot plant of 5000 MTPA of Urea Gold (known as Sulphur Coated Urea) was setup at Panipat Unit. Same has been commissioned and PGTR of the plant has been completed on 30.04.2025. During the Financial Year 2024-25, a total of 24 MT of Urea Gold was produced and 10 MT of Urea Gold has been dispatched.

After successful trial production of Urea Gold at Panipat Unit, NFL is in process to set up a Pilot Plant for Urea Gold with the capacity of 5000 MTPA at NFL Nangal Unit.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo

Disclosure in terms of the Companies (Account) Rules, 2014 in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is appended as **Annexure-6** forms part of this Report.

Safety, Environment and Sustainable Development

Company has undertaken various initiatives for adopting best practices for health, safety environment management and sustainable developments and the details of the same is appended as **Annexure-7** forms part of this Report.

Particulars of Loans, Guarantees, Security and Acquisition under Section 186 of the Companies Act, 2013

Particulars of loans given, guarantees provided, investments in securities and acquisitions made by the Company during the year under review are given in Form MBP-2 and the same is appended as **Annexure-8** forms part of this Report.

Joint venture /Associates Companies

Details of Joint Venture/Associates Companies pursuant to Section 129(3) of the Companies Act, 2013 the statement containing the salient features of the Financial Statement of the Associate Company/Joint Venture Company is, included in the Consolidated Financial Statements is appended as **Annexure-9** forms part of this Report.

Companies which have become or ceased to be subsidiaries, associates and joint ventures

During the year 2024-25, Company has not acquired or formed any new subsidiary, associate or joint venture. Similarly, no subsidiary, associate or joint ventures have been ceased by way of sale of shares, amalgamation, winding up etc.

Further, Company has entered into a Joint Venture Agreement among Government of Assam (GoA), Oil India Limited (OIL), Hindustan Urvarak & Rasayan Limited (HURL) and Brahmaputra Valley Fertilizer Corporation Limited (BVFCL) on 04.07.2025. Joint Venture Company has been incorporated on 25.07.2025 in the name of "Assam Valley Fertilizer And Chemical Company Limited" (AVFCCL). AVFCCL is a 40:18:18:13:11 Joint Venture Company among GoA, NFL, OIL, HURL and BVFCL.

Related Party Disclosures

The particulars of contracts/arrangement entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 including arm's length transactions under third proviso thereto are disclosed in Form AOC-2 and the same is appended as **Annexure-10** forms part of this Report. Related Party Transaction Policy of the Company is available at www.nationalfertilizers.com.

Capital Expenditure (CAPEX)

The achievement in CAPEX is ₹232 crore excluding capital work in progress (CWIP) in the year 2024-25.

Risk Management

The chemical fertilizer industry is operated in a hazardous environment and faces many risks including those related to health, safety and environment in addition to general business & financial risks. In order to mitigate them, the company has a comprehensive Risk Management Policy which is regularly reviewed and a periodical review of the risks, procedures and strategies is undertaken.

To review the new risks evolved during the quarter along with mitigation action undertaken as well as anticipated risks along with mitigation actions planned in future, the company has a two tier system where quarterly risks report is first reviewed by the Risk Assessment Committee (RAC) and thereafter final report is submitted to Risk Management Committee (RMC) for its recommendations before submission to Audit Committee and the Board of Directors. Efforts are made in a planned way to obviate the risks either fully or to minimize their impact.

Under Risk Management policy, all the risks along with mitigation actions undertaken have been reviewed by Risk Assessment and Risk Management Committees. Some of the major risk having severe financial impact as identified by the company include Implementation of Target Energy Norms under NUP-2015 which resulted reduction in profit margin mainly at Vijaipur-I unit.

Internal Financial Controls

Details in respect of adequacy of internal financial controls with reference to financial statements are given in Management Discussion & Analysis Report.

Internal Financial Reporting and Control

The Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31.03.2025.

Particulars of Employees

As per provisions of section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appoinment and Remuneration of Managerial Personnel) Rules, 2014, every listed Company is required to disclose the ratio of the remuneration of each Director to the median employee's remuneration and other prescribed details in the Board's Report.

As per notification dated 05.06.2015 issued by Ministry of Corporate Affairs, these provisions are not applicale to the Government Company. Accordingly, these particulars are not included in the Board's Report.

Public Procurement Policy of Micro and Small Enterprises (MSEs) Order, 2012

Public Procurement Policy for Micro and Small Enterprises (MSEs) was notified by the Government under the Micro, Small and Medium Enterprises Development Act, 2006 which stipulated that 20% of total annual procurement of goods and services shall be made by all Central Ministries /Departments /CPSUs from Micro & Small Enterprises (MSEs). Within this percentage, a sub total of 4% procurement is to be made from MSEs owned by SC/ST entrepreneurs. This Policy has become mandatory w.e.f. 01.04.2015. The requisite information for the year 2024-25 is appended as **Annexure-11** forms part of this Report.

Procurement through GeM Portal

During the year, total procurement through GeM portal was ₹ 995.57 Crore**.**

Human Resource Management

The Company has a manpower strength of 2511 regular employees as on 31.03.2025, which comprises 1277 Executives and 1234 Non- Executives. 184 women employees are on its roll, which is 7.33% of the total work force. The detailed analysis with regard to human resource including training and executive development programme have been made in the Management Discussion and Analysis Report.

- **Employee Strength:** The Company had 2511 employees as at the end of FY 2024-2025 of which 1080 were SC/ST/OBC employees and 45 divyangjans.
- **Employee Benefits:** The vision of the Company for its human resources is to create an enabling environment to enhance the efficiency of the organization. The aim is to encourage the employees to perform their best ability by a system of proper placements and incentives, while creating an atmosphere of trust and a feeling that the organization cares about the wellbeing and personal aspirations of the staff. This helps align personal aspirations with professional goals and enhances efficiency. The Company runs multiple benefit schemes for its employees like Provident Fund, gratuity, pension, medical benefits, contributory pension scheme, concessional interest rates on loans, scholarships to employees' children, executive health check-up etc. The Company also shares part of its profit with employees under its Performance Related Pay scheme in compliance with DPE Guidelines.
- **Human Rights:** Recruitment policy of the Company does not permit any engagement of child labour, forced labour or involuntary labour. An independent Internal Complaint Committee has been constituted at Corporate Office and each Unit to promptly and appropriately handle complaints of sexual harassment at work places. The Company refrains from any discrimination on the basis of caste, creed, gender or religion and strives to ensure a healthy work-life balance for its employees.
- **Employee Well Being:** NFL believes that workforce is the greatest asset that propels the growth engine. Employees are considered as “Change Catalysts” and the Company nurtures and channelize the expertise and talent of employees for growth performance, feedback, motivation and training. The achievements and efforts are appreciated, acknowledged & rewarded.

- On the health front also, Company looks after each & every employee along with his/her dependents for protection from unhygienic conditions and treatment of various illnesses.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

An independent Internal Complaint Committee has been constituted at Corporate Office and each Unit to promptly and appropriately handle complaints of sexual harassment at work places. During 2024-2025, disclosure in relation of the Sexual Harassment of Women at workplace is as under:

No. of Complaints filed during the FY-03 (Three)

No. of complaints disposed of during the FY-01 (One)

No. of complaints pending for more than 90 days during the FY- 00 (Zero)

No. of complaints pending as at the end of FY-02 (Two)

Compliance of the provisions relating to the Maternity Benefit Act, 1961

The Company is fully committed to upholding the rights and welfare of its employees in accordance with the applicable laws. In line with this commitment, the Company ensures compliance with the provisions of the Maternity Benefit Act, 1961, as amended from time to time and maternity benefits are extended to 100% of female employees.

Details of proceedings pending under the Insolvency and Bankruptcy Code, 2016

During the year under review, no application was made and no proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the financial year 2024-25.

One-time Settlement and Valuation

During the financial year 2024-25, no event has taken place that gives rise to reporting of details with respect to 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.

Implementation of Official Language Policy

The Company is continuously making all efforts to promote and implement the Official Language Policy of the Union of India. The Quarterly meetings of the Official Language Implementation Committee (OLIC) are regularly held at the Corporate Office and Unit/Zonal Offices, in which the progress of Official Language Hindi is reviewed. A total of 36 meetings were held during the year.

To promote the use of Official Language Hindi, 38 Hindi workshops were organized during the year, in which 754 employees participated. Hindi Pakhwada was organized in all the units/offices of the Company to commemorate Hindi Diwas. During the year, a total of 48 programs/competitions were organized to promote Official Language (Hindi), in which a total of 1144 employees participated and 248 winners/participants were honored. Apart from this, 64 employees were rewarded for doing their work in Hindi language under the Cash Award Scheme.

In compliance with the responsibility of chairing and conducting the 'Town Official Language Implementation Committee (Undertaking) Noida', NFL, Corporate Office, Noida successfully organized the 10th half-yearly meeting through video conferencing on 27.06.2024, under which the nominated office heads (22) and Official Language Officers (46) were present.

Representatives from all the units / offices of NFL participated in the 'Official Language Conference' organized by the Department of Official Language, Government of India on 14th and 15th September, 2024 at Bharat Mandapam, New Delhi.

In relation to the progress of Official Language Hindi in NFL during the year 2024-2025, the First Sub-Committee of the Parliamentary Official Language Committee conducted a successful official language inspection/visit programme at NFL Area Office – Bareilly on 20.11.2024, State Office – Jaipur, Rajasthan on 25.02.2025 and Panipat Unit on 05.03.2025 respectively.

NFL Nangal Unit was awarded the first prize and Rajbhasha Shield by Town Official Language Implementation Committee (TOLIC)-Rupnagar on 08.05.2024 for excellent work in Hindi under the category of Government Office for the year 2022-23 and NFL Panipat Unit was awarded the third prize and Rajbhasha Shield by TOLIC-Panipat on 31st July, 2024 for excellent work in the field of Hindi during January to June, 2024 and NFL Vijaypur Unit was awarded the first prize and Rajbhasha Shield by TOLIC- Guna on 18.12.2024 for excellent work in the field of Official Language Hindi during the year 2023-24.

Initiatives taken for development of employees belonging to Scheduled Caste / Scheduled Tribes /Other Backward Classes (SC/ST/OBC categories)

Company is committed to the development of employees belonging to reserved categories. An Implementation Cell is functional in all Units/Offices of the Company to oversee the implementation of Presidential Directives on Reservation Policy for SCs/STs. Liaison Officer has been appointed in each Unit /Office and Chief Liaison Officer at CO, NOIDA to ensure due compliance of orders and instructions pertaining to reservation for SCs and STs and other concessions admissible to them. Meetings were periodically held at Unit level as well as at corporate level with the SC /ST Employees Welfare Associations by the Management for redressal of grievances of SC/ST employees. A statement showing representation of employees belonging to Scheduled Caste/Scheduled Tribes / Other Backward Classes/Persons with disabilities is appended as **Annexure-12** forms part of this Report.

Presidential Directives

Schedule of Compliances with Presidential Directives issued during financial year 2024-25 and during last three year preceding the financial year 2024-25 is as below:

Financial Year	Content of Presidential Directives	Compliance
2024-25	NIL	NIL
2023-24	NIL	NIL
2022-23	NIL	NIL
2021-22	NIL	NIL

Information Technology & Details of Cyber Security incidents and its preventives

The Information Technology department serves as the backbone of NFL's digital transformation journey, enabling organization to achieve operational excellence, boost productivity, and meet the evolving needs of the industry.

During the 2024–25 fiscal year, NFL has not observed any Cyber Security Incident. Moreover, NFL led a series of digital transformation initiatives focused on streamlining operations and adopting emerging technologies to maintain a competitive edge in an evolving business environment. Key highlights include:

- Modernization through ERP Implementation: As part of its modernization drive, NFL successfully phased out several legacy systems, including the Dispatch Management System, Marketing

Management & Information System, and the Employee Self-Service Portal. These were replaced with a comprehensive Enterprise Resource Planning (ERP) system—an integrated business solution designed to deliver real-time data insights, enhance productivity, and streamline operations. This strategic move positions NFL for long-term growth and improved competitiveness in a rapidly changing market.

- Strengthened Cybersecurity and Connectivity: Ensuring secure and uninterrupted access to critical business applications remains a top priority. To that end, NFL deployed a Software-Defined Wide Area Network (SD-WAN) solution, facilitating seamless and secure connectivity across all operational sites. Business applications are further protected by hosting them through redundant internet links, significantly reducing downtime risks. In addition, Honey Pot sensors have been strategically implemented to detect and defend against potential cyber threats, reinforcing NFL's cybersecurity framework.

Looking ahead, NFL remains committed to harnessing emerging technologies, upgrading its digital infrastructure, and refining operational processes. This proactive approach ensures the organization stays agile, innovative, and resilient in an ever-evolving business environment.

Material impact of CoVID-19 pandemic on operations and performance of the Company

During the FY 2024-25, there was no material impact of CoVID-19 pandemic on the operations and performance of the Company.

AUDITORS

Statutory Auditors

The Statutory Audit of your Company was conducted by Chartered Accountants firms M/s. Dhawan & Co., Chartered Accountants and M/s. R S P H & Associates, Chartered Accountants, Joint Auditors appointed by Comptroller & Auditor General of India (C&AG). Auditor's Report on the Financial Statements including consolidated Financial Statements of the Company for the financial year 2024-25 is attached.

Proposal authorizing Board of Directors to decide & fix remuneration of Statutory Auditors appointed/ to be appointed by the Comptroller and Auditor General of India for the F.Y. 2025-26 is placed for your approval.

Explanation in response to Auditor's Qualification

Statutory Auditors of the Company have issued an Audit Report with Unmodified opinion on Audited Financial Results of the Company (Standalone & Consolidated) for the financial year ended 31.03.2025.

Comments of C&AG

The Financial Statement (Standalone and consolidated) of the Company are subject to comments of C&AG of India under Section 143(6)(b) read with Section 129(4) of the Companies Act, 2013 which shall be sent to shareholders separately.

Cost Auditors

As prescribed under Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014, the cost accounting records are being maintained by all the Units of the Company. Cost Audit for 2024-25 was carried out by Cost Auditors M/s K.G. Goyal & Associates, M/s Ravi Sahni & Co., M/s Vijender Sharma & Co. and M/s R.K. Patel & Co., as prescribed under the Companies Act, 2013 and Rules framed thereunder. M/s R.K. Patel & Co. acted as the Lead Cost Auditor. Consolidated Cost Audit Report for the financial year 2023-24 was filed with Ministry of Corporate Affairs (MCA) on 06.09.2024.

Internal Auditors

Company has an Internal Audit Department headed by Deputy General Manager. To carry out Non-technical Audit, your company had appointed nine Chartered Accountant firms namely M/s AMAA & Associates, M/s SP Chopra & Co., M/s JLN US & Co., M/s KK Goel & Associates, M/s JN Gupta & Co., M/s Dharam Raj & Co., M/s ASA & Associates, M/s Ravi Rajan & Co., and M/s S.L Chhajed & Co. for the year 2024-25. Technical Audit and IT/ EDP Audit was carried out by in-house internal audit teams.

Reporting of Internal Auditors

Internal auditors are appointed for various Units / Offices of NFL at all major locations. Internal audit is conducted by external independent Audit firms and their reports are put up to the concerned HoD's at places where they are appointed. Thereafter, the reports and the action taken by the Management is reviewed by the Audit Committee.

Secretarial Auditors

M/s Kumar Naresh Sinha & Associates, Practicing Company Secretaries was appointed by the Board for undertaking the Secretarial Audit for the Financial Year 2024-25 in terms of Section 204 of Companies Act, 2013 and Rules made there under. Secretarial Audit Report for the year 2024-25 and Management's explanation to Secretarial Auditor's observations are appended as **Annexure-13** which forms part of this Report.

Annual Secretarial Compliance Report for the Financial Year ended 31.03.2025 issued by M/s Kumar Naresh Sinha & Associates, Practicing Company Secretaries, under Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is appended as **Annexure-14** which forms part of this Report.

Compliance with Secretarial Standards

The Company complies with all applicable Secretarial Standards issued by The Institute of Company Secretaries of India.

Audit Committee

The detailed disclosures have been made in the Corporate Governance Report annexed to this report.

Nomination & Remuneration Committee and Remuneration Policy

Disclosures regarding Nomination & Remuneration Committee and Remuneration Policy are given in the Corporate Governance Report annexed to this report.

Stakeholders Relationship Committee

Disclosures regarding Stakeholders Relationship Committee are given in the Corporate Governance Report annexed to this report.

Corporate Social Responsibility and Sustainable Development Committee

Disclosures regarding Corporate Social Responsibility and Sustainable Development Committee are given in the Corporate Governance Report annexed to this report.

Company's policy on Director's appointment and remuneration

Ministry of Corporate Affairs has granted exemption vide notification No. GSR463 (E) dated 05.06.2015 to the Government Companies from the provisions of Section 134(3)(p) of the Companies Act, 2013. Director's appointment and remuneration is decided by the Government of India. Keeping in view the exemption, no Remuneration Policy has been formulated.

Board & Committee Meetings

The details of Board Meetings, Committee Meetings and Meetings of Independent Directors are given in the Corporate Governance Report annexed to this report.

Annual Return u/s 92(3) of the Companies Act, 2013

The Annual Return of the Company will be made available on the website of the Company at www.nationalfertilizers.com.

Investor Education and Protection Fund

The Company has complied with all the provisions relating to the Investor Education and Protection Fund (IEPF) under the Companies Act, 2013 and The Investor Education and Protection Fund Authority (Accountng, Audit, Transfer and Refund) Rules, 2016, made there under. Company Secretary is the Nodal Officer to deal with IEPF Authority and compliances related thereto.

During the year 2024-25, an amount of ₹2,65,531.50 of unpaid/unclaimed dividend amount was transferred to Investor Education and Protection Fund on account of unpaid/unclaimed dividend. Accordingly, as per Section 124(6) of the Companies Act, 2013 and Rules notified thereunder, 10,311 shares were transferred to demat account of IEPF. The details of the unpaid/unclaimed dividend and shares transferred to IEPF Account for the previous years are available at the website of the Company www.nationalfertilizers.com.

Listing

Company's equity Shares are listed at National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). Other disclosures regarding listing regulations have been made in Corporate Governance Report.

Listing Fee

Company has paid requisite listing fee to the stock exchanges during the year 2024-25.

Service to Shareholders

All matters relating to transfer/transmission of shares, issue of duplicate share certificates, payment of dividend, de-materialization and re-materialization of shares and redressal of investors grievances are carried out by the Company's RTA i.e. M/s MAS Services Limited, New Delhi.

Code of Conduct

Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended 31.03.2025. Code of Conduct has been uploaded on the website of the Company at www.nationalfertilizers.com.

Corporate Policies & Codes

Details regarding various corporate policies & codes are given in the Corporate Governance Report and also available on the website of the Company at www.nationalfertilizers.com.

Disclosure pursuant to FEMA Regulation

FEMA Regulations applicable to Companies owned or controlled by non-resident entity(s) are not applicable to NFL.

Key Business Development

Overview of the Indian & Global fertilizer industry is given in the Management Discussion & Analysis Report annexed to this report.

Disclosure regarding frauds

No fraud has been reported by the Auditor to the Audit Committee or to the Board, during the financial year 2024-25.

Details of the sickness of the Company

Not applicable.

Management

Key Managerial Personnel (KMP)

In compliance with provisions of Section 203 of the Companies Act, 2013, Key Managerial Personnel (KMP) position as on 31.03.2025 is as follows:

Dr. U. Saravanan, Chairman & Managing Director .

Shri Hira Nand, Chief Financial Officer.

Shri Ashok Jha, Company Secretary.

Board of Directors

Changes in Composition

Shri Rajan Kanwar was assigned the additional charge of Director (Marketing), National Fertilizers Limited in terms of DoF Order No. 82/1/2021-HR-PSU (Part) (e-36197) dated 11.07.2024 for a period of one year with immediate effect or until posting of a regular incumbent, or until further orders, whichever is earliest. He was holding additional charge of Director (Marketing) upto 11.03.2025.

Shri Bharat Bhushan was appointed as an Additional Director (part time Government Nominee Director) w.e.f. 07.11.2024 vice Smt. Neeraja Adidam, in terms of DoF Order No. 95/1/2019-HR-PSU dated 01st November, 2024, until further orders.

Smt. Poonam Sharma, Shri Ritesh Tiwari and Shri Kashi Ram Godara ceased to be Non-Executive Independent Directors on completion of their tenure w.e.f. 12.11.2024.

Shri Venkata Sarvarayudu Thota ceased to be Non-Executive Independent Director on completion of his tenure w.e.f. 30.11.2024.

Shri Mahesh Chander Gupta was appointed as Director (Marketing) in terms of DoF Order No. 82/1/2021-HR-PSU (Part-1) (e-36198) dated 07.03.2025 w.e.f. 11.03.2025.

Shri Jyoti Bhramar Tubid ceased to be Non-Executive Independent Director on completion of his tenure w.e.f. 21.04.2025.

Shri Rajan Kanwar ceased to be Director (Technical) on attaining the age of superannuation on 30.04.2025 w.e.f. 01.05.2025.

Prof. Rabi Ranjan Sen and Shri Jyoti Bhramar Tubid were appointed as Additional Directors (as Non-Executive Independent Directors) w.e.f. 05.05.2025 in terms of DoF Letter No. 95/01/2025-HR-PSU (e-38792) dated 5th May, 2025 for a period of one year, with effect from the date of notification of appointment, or until further orders, whichever is earlier.

Ms. Pinky Pradhan was appointed as an Additional Director (as Non-Executive Independent Director) w.e.f. 23.05.2025 in terms of DoF Letter No. 95/01/2025-HR-PSU (e-38792) dated 22nd May, 2025 for a period of three years, with effect from the date of notification of appointment, or until further orders, whichever is earlier.

Ms. Ritu Goswami, Director (Technical), Rashtriya Chemicals & Fertilizers Limited (RCFL), had been assigned Additional Charge of Director (Technical) on the Board of the Company w.e.f. 22.07.2025 in terms of DoF letter No. 82/1/2017-HR-PSU (Part-1) (e-31527) dated 18th July, 2025 for a period of six months or till assumption of charge of the post by the regular incumbent, or until further orders, whichever is earliest. Details of tenure of Directors are provided in the Corporate Governance Report.

Re-appointment of Directors at the AGM

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Dr. U. Saravanan (DIN: 07274628) and Shri Hira Nand (DIN: 09476034) will retire by rotation at the ensuing AGM and being eligible have offered themselves for re-appointment.

Declaration by Independent Directors u/s 149(6) of the Companies Act, 2013

All Independent Directors have given declaration that they meet the criteria of Independence as laid down in Section 149(6) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. In the opinion of the Board, the Independent Directors posses integrity and necessary expertise & experience.

Re-appointment of Independent Directors

As per Section 149(10) of the Companies Act, 2013, none of the Independent Directors have been reappointed on the Board of the Company during the FY 2024-25.

In addition to above, Shri Jyoti Bhramar Tubid, Non- official Independent Director ceased to be Non-Official Independent Director w.e.f. 21.04.2025 due to completion of his tenure and he has been appointed as an Additional Director (as Non-Official Independent Director) on the Board of the Company w.e.f. 05.05.2025 in terms of DoF Letter No. 95/01/2025-HR-PSU (e-38792) dated 5th May, 2025 issued by Department of Fertilizers.

Disqualifications of Directors

None of the Directors have committed any disqualification as provided under Section 164 of the Companies Act, 2013.

Remuneration to Directors

Details of Remuneration to Directors and Company Secretary are given in the Corporate Governance Report annexed to this Report.

Performance evaluation of Board of Directors

The details regarding performance evaluation of Board of Directors have been given in the Corporate Governance Report.

Directors' Responsibility Statement

Pursuant to the requirement of Section 134(3) (c) of the Companies Act, 2013, your Directors confirm that:

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

b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2024-25 and of the profit of the Company for that period;

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

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

e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

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

Acknowledgements

The Board of Directors acknowledge their gratitude for the valuable guidance and support received from the various wings of Government of India, in particular Department of Fertilizers, Fertilizer Industry Coordination Committee (FICC), various State Governments, Financial Institutions, Banks, stakeholders and all others whose continued support has been a source of strength to the Company.

Your Directors also acknowledge the suggestions received from Statutory Auditors, Internal Auditors, Cost Auditors, Secretarial Auditors and Comptroller and Auditor General of India and are grateful for their continued support and cooperation.

The Board would like to place on record its appreciation to the hard work, commitment and unstinting efforts put in by the employees at all levels throughout the year. Board also place on record active support and cooperation received from Employees Trade Union and Officers Association for sustained improvements.

Registered Office:
Scope Complex, Core-III,
7, Institutional Area, Lodhi Road,
New Delhi-110003.

Date: 29th August, 2025

For and on behalf of the Board of Directors

(Dr. U. Saravanan)
Chairman & Managing Director
DIN: 07274628

Annexure-1

Management Discussions and Analysis (MDA)

India Fertilizer Market

Fertilizer Production, Import & Sales during FY 2024-25:

Production of NPKs in the country achieved a year-on-year increase of about 18.87% in the FY 2024-25, however, production of Urea and DAP declined of about 2.36% and 12.2% respectively. The total production of Urea, DAP, and NPKs amounted to 30.67 million tons, 3.77 million tons and 12.11 million tons, respectively, during this period.

The total urea production in the country has declined by 0.74 million MT in 2024-25. The Union government has set 2025-26 as the deadline by which the country will end all urea imports. India mainly imports urea from Oman, Qatar, Saudi Arabia and the United Arab Emirates. Lower imports of urea also came on the back of higher local production of Nano-Urea, a liquid form of the farm chemical, as well as a move towards eco-friendly alternatives by farmers.

Production of DAP was down from 4.30 million MT to 3.77 million MT whereas production of complex fertilizers was increased from 10.19 million MT to 12.11 million MT during the year. Their import has also decreased in 2024-25. The imports of DAP have declined by around 12.37% from 5.67 million MT to 4.97 million MT mainly due to increase in global price and lack of supply from China. Similarly import of complex fertilizers also decreased by around 9.88% from 2.43 million MT to 2.19 million MT.

The lower imports of urea and DAP were offset by higher inbound shipments of Muriate of Potash (MOP), which rose to 2.64 million tonne from 2.02 million tonne, i.e. up by 30.69%.

Due to non-availability of sufficient quantities of raw materials, high input costs, production of these fertilizers is highly vulnerable. Further, there is unfair competition from imports of finished fertilizers. Taxation is also having adverse impact on viability of domestic production. Due to unattractive returns on investment and other constraints investment in this sector has been stagnating for more than a decade.

With above normal monsoon prediction for 2025 bodes well for a good harvest, hence, the demand for fertilizers is expected to grow further.

Consumption (DBT sale) of urea from April 2024 to March 2025 was 36.65 million MT which is marginally lower by 2.93% with respect to 37.76 million MT of corresponding period of previous year. However, consumption of NP/NPKs and MOP at 14.50 million MT and 2.41 million MT during 2024-25 showed an increase of 13.90% and 28.08%, respectively over the 12.73 million MT and 1.88 million MT of corresponding period of previous year. However, consumption of DAP at 8.88 million MT during 2024-25 showed decline of 15.99% compared to 10.58 million MT during previous year. In case of SSP, it has come down to 2.82 million MT during 2024-25 showing a decline of more than 35% during the period.

Comparing season-wise consumption of fertilizer products in 2024-25, it has been observed that Urea, MOP & Complex have shown higher consumption of around 1.6%, 17.02% & 11.84% and DAP has shown lower consumption by around 34.2% during kharif 2024 compared to kharif 2023. However, in rabi 2024-25, consumption of all fertilizers have increased compared to rabi 2023-24 except Urea. DAP consumption was 11.81% higher in rabi 2024-25 as compared to rabi 2023-24. NP/NPK and MOP consumption was 16.30% and 37.77% higher during rabi 2024-25 over rabi 2023-24, however, Urea consumption was 6.72% lower.

Overall fertilizer consumption in the country marginally declined by around 3% to 65.27 million tonne during FY 2024-25 against 67.35 million tonne during previous year.

India fertilizer Industry will continue to make efforts to maximize production and minimize imports, however, risks and challenges remain. The fertilizer industry has always been the backbone of Indian agriculture and will continue to make efforts in making the country Atma Nirbhar in production and supply of essential fertilizers.

Crisis of the past years due to conflicts around the world has once again brought food security to the forefront of global development agenda, including India. Use of chemical fertilizers will continue to play a crucial role in meeting ever-growing demand of food grains with shrinking land availability for agriculture.

Fertilizer security is absolutely necessary for global as well as Indian food security. However, it should be ensured to make fertilizers use in agriculture sustainable and for this innovation in fertilizer and agriculture sectors involving development and use of more efficient fertilizer products, balanced and integrated use of fertilizers with organic manures, bio-fertilizers and secondary and micronutrients are necessary. Further, assessment of soil fertility status and better methods of fertilizer applications are also required.

Segment Analysis:

Based on use of fertilizer products, Urea sub-segment is the most dominant, followed by Complex fertilizers & DAP. Urea is the most commonly used fertilizer since it is less expensive than the other fertilizers. Excessive Urea use degrades soil fertility, resulting in increased sales of DAP and other complex fertilizers.

Growth of fertilizer industry in India:

Government New Investment Policy – 2012 in order to facilitate fresh investments in Urea sector stimulated investment in the public and private sectors. Currently, the country has 36 large-scale gas based urea manufacturing plants, 21 units producing DAP and complex fertilizers and 2 units producing Ammonium Sulphate as a by-product.

India now relies on imports for about 15% of its Urea requirements, 56% of it's DAP requirements, 15% of complex requirement and 100% of its Potash requirements. The government has encouraged Indian firms to establish joint ventures in nations with substantial fertilizer resources for production facilities with buy-back arrangements that help for long-term agreements for the supply of fertilizers input to India.

Subsidy expenditure on fertilizers:

Government of India has been providing sufficient funds for fertilizer subsidy for last couple of years. The Government had budgeted Rs.1,75,100 crore for fertilizer subsidy during the year 2023-24. However, unusual spike in international prices of raw materials and finished fertilizers caused disruption in the availability of fertilizers resulting in huge increase in subsidy requirement to insulate the farmers and agriculture from skyrocketing fertilizer prices. Accordingly, the total subsidy on fertilizers was increased to Rs. 1,88,291 crore (Urea subsidy was Rs. 1,23,092 Crore and P&K subsidy was Rs. 65,199 Crore) for 2023-24. Similarly, the budget allocation for fertilizer subsidy was Rs. 1,64,000 crores (Urea subsidy was Rs. 1,19,000 Crore and P&K subsidy was Rs. 45,000 Crore) during 2024-25 which has been revised to Rs. 1,71,299 crore (Urea subsidy was Rs. 1,18,989 Crore and P&K subsidy was Rs. 52,310 Crore) due to price volatility of fertilizers and raw materials in the international market during the year. The budget allocation for fertilizer subsidy has been kept at Rs. 1,67,887 crore for the year 2025-26, out of which urea and P&K subsidy is at Rs. 1,18,887 crore and Rs. 49,000 crore respectively. Sufficiency of allocation will depend on the international prices of energy, fertilizers and raw materials to remain during the year and Government has been concerned about the same as happened in the last few years.

The revised budget allocation for fertilizer subsidy for FY 2024-25 is about 9% less than the actual subsidy for 2023-24. Similarly, revised budget for urea subsidy is about 3% less and the same for P&K fertilizers is reduced by around 19% from the subsidy for 2023-24. The industry has no reason to worry on this count since the government has been prompt in making additional funds available when situation demanded during last three years.

The fertilizer subsidy made a positive impact on the availability and affordability of fertilizers for farmers. As a result, farmers are able to access fertilizers more easily and at reasonable prices, contributing to the growth of the agriculture sector and contributing food grain self-sufficiency in the country.

The industry on its part, has continuously strived to ensure timely availability of fertilizers through domestic production and imports even at times with negative margins. The increased price in international market of fertilizers ironically have posed another challenge to the industry. P&K sector is almost entirely dependent on import of raw materials due to lack of natural resources of phosphate and potash.

Timely announcement of subsidy rates under NBS policy plus additional financial support from Government during 2024-25 one-time special package on DAP @ Rs. 3500 per MT over and above the NBS subsidy rates on actual PoS sale for the period from 1st April, 2024 to 31st December, 2024 enables the industry to respond quickly to market conditions and to maintain production and import schedules and enabling the industry to earn reasonable return on the investment are a few measures which help the industry ensure availability of quality fertilizers on time. Number of countries of the world has become vulnerable regarding food security during geopolitical crisis severely impacting availability and affordability of food.

Indian Fertilizer Market Dynamics:

Food demand is expected to rise sharply over the next five years, owing to the country's rapid population increase. Conversely, as urbanization levels rise, accessible arable land is anticipated to decline. Fertilizers are expected to play a significant influence in raising average agricultural yields per hectare. Despite great historical growth, India's fertilizer use is still extremely imbalanced. There are now a handful of states in India with very low fertilizer penetration. This offers plenty of room for planned growth. Rising rural incomes, combined with easy financing availability, are also expected to have a favourable impact on fertilizer usage in the country. Contract farming, in which the food processor (contractor) is supposed to give inputs in the form of technology and training to the farmer, is also projected to have a good impact on fertilizer usage.

Fate of fertilizer industry is intimately related to agriculture sector of the country. The performance of the agriculture sector has been very promising so far. The latest budget has measures to make it future-ready. It is very essential that in addition to ensuring food security of this vast nation, agriculture sector becomes sustainable and more remunerative to our farmers. Fertilizer industry will continue to play its role and help in greening the Indian agriculture.

Rating agencies maintained a neutral outlook for the fertilizer sector for FY 25, driven by the Government of India's (GoI) continued policy-level support to the industry by way of the healthy subsidy budget of Rs. 1,64,000 crores. This is backed by a moderation in the raw material prices across urea coupled with the likelihood of a continued healthy demand in view of the GoI's focus to increase farmer income.

Future of Indian Fertilizer Market:

First the pandemic due to Covid19 and then geopolitical conflict i.e. the conflict between Russia and Ukraine posed serious challenges to supply of adequate quantity of fertilizers to the farmers. India remains heavily dependent on import of fertilizers and fertilizer raw materials. The central government acted very proactively to facilitate both production and import of fertilizers. Government facilitated various agreements

with foreign companies to supply of raw materials and fertilizers both for Phosphatic and Potassic fertilizers. But more importantly, allocation for fertilizers subsidy to insulate the farmers from high prices. Allocation of fertilizer subsidy and hence practically no increase in farmers prices, ensured that fertilizer consumption and hence agriculture production were not affected in spite of all round negative impact on other sectors of the economy.

The focus should now shift to make Indian agriculture more productive, reducing its impact on environment and also reducing carbon footprint of fertilizer production. Nitrogen is the primary nutrient most used in agriculture. But its use efficiency remains poor in India which is in the range of 30-40%. The rest escapes to environment (water and air) contributing to greenhouse gases in atmosphere. Efforts to be made to increase Nitrogen efficiency in coming years by use of better fertilizer products like Nano urea, Sulphur Coated Urea and other high efficiency products. It is important that integrated nutrient management which includes use of sufficient micronutrients and organics, is adopted. Adoption of better agriculture systems like precision and protected farming can also help to improve fertilizer use efficiency. This will reduce the nitrogen requirement in the soil significantly. Further, there is need for increase in use of bio-fertilizers which will help to fix more nitrogen per annum from atmosphere. On the production front, at least part of nitrogenous fertilizers can be produced with green hydrogen/ ammonia, thus reducing use of fossil fuels.

Improvement in nitrogen use efficiency will reduce cost of cultivation, reduce fertilizer subsidy and increase income of farmers. These measures will also reduce our dependence on imported natural gas.

Efficiency level of present fertilizer plants in the country is very high and comparable to best plants in the world. Therefore, there is little scope for further improvement of energy efficiency of existing fertilizer plants and hence reduction in carbon dioxide emission. Further, improvement through plant modifications will be very small.

In phosphate and potash, India is almost completely dependent on imports. India imports basic raw materials like sulphur and phosphate rock, intermediates like phosphoric acid, ammonia and sulphuric acid and finished products like DAP, Complex fertilizers, Muriate of Potash (MOP) and Sulphate of Potash (SOP). There are challenges both on availability and price fronts. Events of last few years have increased these challenges. To address these challenges India has adopted multi-pronged strategy like opening of joint ventures abroad for production of phosphoric acid. Government also facilitated for several agreements between Indian and foreign companies for supply of fertilizers and fertilizer raw materials. But the capacity of phosphoric acid plants in India is not fully utilized due to lack of availability of sufficient quantity of phosphate rock and unfair competition from imports. There is need for investment in phosphate rock mines abroad.

In case of potash, we face even more serious challenge in recent times due to non-availability of sufficient quantities of MOP in world markets. Investment in potash mines to increase potash-mining capacity and secure supplies is required.

Global Fertilizer Outlook

Fertilizers remain at the intersection of unsettled food and energy markets, and are increasingly exposed to global risks spanning geopolitics, conflict, economics and climate. Supply has been resilient despite existing and fresh disruptions continued during 2024-25, while macroeconomic drivers have grown in influence. Instability in Red Sea, Gulf of Aden and low water level in the Panama Canal put continuous pressure on the global supply chain and increase freight costs.

The combination of these complex and interconnected factors has implications for commodity markets. The last year has seen intensified competition, greater economic fragmentation and supply chain reorganization. Furthermore, the higher cost of borrowing, access to credit and depreciating currencies have placed continued affordability challenges in many importing and fragile markets.

Impact on fertilizer supply

During 2024-25 the four significant and actively developing circumstances which impacted fertilizer supply.

Middle East: The situation in Gaza has impacted exports from neighbouring fertilizer exporters. There were rising freight risks in the Red Sea which has the potential to impact trade flows. Indirect impacts such as temporary shortages in gas supply to Egypt's nitrogen industry also occurred. Middle East is the shipping transit hub with the Strait of Hormuz, the Red Sea and the Suez Canal all being major potential chokepoints for fertilizer trade. Situation there has highlighted the global importance of the place.

Ukraine: Conflict in Ukraine continues, with Black Sea coastal ports as a focal point of the conflict. However, exports of finished fertilizer from Russian Baltic Sea ports continue at record levels in line with recovering global demand. Ammonia exports remain heavily impacted due to the pipeline connecting Russia and Ukraine being out of operation. However, some new infrastructure is under construction for ammonia export terminals at the Baltic Sea and the other ports. Feedstock costs to European nitrogen producers remained high, although lower than the unprecedented 2022 levels, because of Europe's dependence on Russian natural gas. The impending introduction of the Carbon Border Adjustment Mechanism (CBAM) and other national carbon taxes has put further pressure on the European industry.

Belarus: The flow of potash exports from the country through EU territory to the Baltic Sea has been restricted due to sanctions on Belarus. However, China has imported record potash by a significant rerouting of Belarusian potash exports in 2023. Further, Belarus has exported potash to other international markets also using Russia as a transit, also by rail. Belarus has also signed a number of potash supply agreements with friendly countries.

China: China continues to curb exports of urea and DAP in order to prioritise the supply of fertilizers to the domestic market. China's role in global trade of these fertilizers is smaller today with respect to 2012-2016 when the country had large volumes of overcapacity, but the restrictions still have the potential to impact regional supply and price sentiment in seasonal demand periods.

Further, for the last few years, starting from covid19 lockdowns, the fertilizer industry has encountered successive crises. Fertilizer availability and affordability is much improved from the significant uncertainty of 2022, although disruptions remain. Going into 2025, macroeconomic risks are at the forefront of industry drivers and will impact the markets across the supply chain and at the farm level. In the short-term N and P fertilizer consumption is forecast to recover, but the K recovery is expected to take longer to play out. Weather conditions present large risks to the demand outlook. Across supply, demand and trade dynamics, government policies are forecasted to remain key drivers as measures are implemented to support food security and sustainability goals.

Fertilizer Industry Structure & Developments in India

Fertilizer industry in India operates in public, private and co-operative sector, with the private sector occupying a larger share in the manufacturing capacity. Fertilizers sector being highly energy & capital intensive, cost of fertilizers is unavoidably high. In order to ensure availability of fertilizers to the majority of the small & marginal farmers at affordable prices, this sector is highly regulated and controlled by GoI for pricing and distribution of fertilizers. At present, Urea prices are highly subsidized and administered under New Urea Policy (NUP) – 2015 whereas P & K Fertilizers are partially decontrolled and subsidy is disbursed based on the nutrient content available in the particular fertilizer under Nutrient Based Subsidy introduced by GoI w.e.f. 01-04-2010.

In case of Urea, MRP is fixed by GoI and currently fixed at Rs. 5,360 per MT which is highly inadequate in respect of current cost of production / imported price.

The introduction of pooling of gas mechanism in the year 2015-16 has been consistently helping ensuring

delivery of gas at uniform and lower price to Fertilizer companies to enable them to make Urea production beyond re-assessed capacity and helping to contain the requirement of working capital to some extent.

Government of India increased fixed cost by Rs. 350 per tonne of Urea. However, Government is yet to consider the issue of minimum fixed cost of Rs. 2,300 per tonne of Urea as very low fixed cost for some of the Urea Units including Vijaipur-I Unit of the company is affecting their viability.

Tightening of energy norms under New Urea Policy (NUP) – 2015 has also affected the profitability of Urea manufacturing units.

The imbalanced use of fertilizers due to highly subsidized Urea continues to be a big challenge and needs to be addressed on priority. On this front, GoI has been distributing Soil health cards to all the farmers to enable them to get information about nutrients level in the soil to make judicious use of fertilizers through soil and seed testing facilities at retail outlets of fertilizer companies. Fertilizer companies have been marketing city compost and organizing awareness programs for the farmers to boost the use of city compost to improve soil quality and increase yield of crop in line with a policy of the government on city compost under the Swachh Bharat Abhiyan.

Implementation of DBT which has aggravated the problem of working capital due to change of subsidy payment from supply to sale and lack of availability of domestic gas, increasing trend in the price of RLNG etc. adversely impacting the profitability of the Urea manufacturers.

The response of fertilizer use to food grain productivity has been declining over the years due to multi-nutrient deficiencies cropping up in the soil. Apart from deficiencies of primary nutrients, widespread deficiencies of secondary and micro-nutrients are affecting the soil health. To restore soil health for desired growth in agriculture, balanced and integrated use of various nutrients is required. To address the issue, there is ample opportunity to the industry to introduce many new products containing combination of various nutrients including primary, secondary and micro-nutrients.

The use of Water Soluble Fertilizers, Potash Derived from Molasses (PDM) and Fermented Organic Manure (FOM) in the country is also on the rise to improve fertilizer use efficiency of soil health.

Country is also manufacturing Nano Urea. There are currently three Nano Urea plants operating in the country. Nano Urea is a nanotechnology based revolutionary Agri-input which provides nitrogen to plants. Application of 1 bottle of Nano Urea can effectively replace at least 1 bag of Urea. Nano Urea, in the coming times will ensure the progress of the farmers, increase their income. In this way it will change the future of farmers. It is the best green technology and provides solution of pollution. It saves the soil and also increases the production and hence is the best for the farmers. Further, Government has also given approval to Nano DAP and it will also come to replace DAP shortly. Nano-DAP will immensely benefit farmers.

The fertilizer industry is highly vulnerable to the adverse climatic conditions which badly impact the fertilizer industry.

Strength and Weakness

Strengths:

- Large player in domestic Urea Production (around 12% share in total production of the country).
- A multi-product Company with well established “Kisan” Brand except for subsidized fertilizers.
- Majority equity held by GoI.

- Pan India distribution and sales network.
- Three plants located in the most intensive fertilizers consuming States i.e. Punjab and Haryana.
- Manufacturing Facilities for Industrial Products.
- Skilled & Experienced workforce.
- Adequate Infrastructure for future expansion/sharing.
- Well established eco-system for Seed Production & Sale.
- Strong presence in the Southern market after commissioning of RFCL.

Weaknesses:

- Low operating margins in Urea due to regulatory environment.
- Increase in working capital requirement after implementation of DBT.
- Bathinda, Nangal and Panipat being old & smaller capacity plants consuming higher energy than new & large capacity plants.
- Dependence on subsidy.
- Huge attrition of manpower in next couple of years due to retirement.

Opportunities & Threats

Opportunities:

- Leverage of existing Pan India marketing network for undertaking trading and other businesses.
- Increased capacity utilization of Nitric Acid & Ammonium Nitrate Plants at Nangal.
- Customized, Fortified, Water Soluble & Liquid Fertilizers for balanced fertilization.
- Manufacturing of Agro Chemicals.
- Marketing of Urea produced by RFCL.
- Increase in trading of other Agri Products (PDM, FOM, Seaweed Granules etc.).
- Providing O & M services to other Fertilizers Companies.

Threats:

- Increased Government regulations & procedures.
- Tightening of energy norms of urea plants under New Urea Policy (NUP) – 2015.
- Adverse demand supply scenario of Fertilizers due to adverse agro Climatic condition.
- Volatility in prices of imported fertilizers and industrial products.
- Decontrol of Urea.

Revenue

The Company has achieved Revenue from Operations of ₹ 19,794.50 crore during 2024-25 as against ₹ 23,560.31 crore during previous year and total income of ₹ 19,889.52 crore during 2024-25 as against ₹ 23,670.62 crore during previous year as detailed below:

(₹ in crore)

Particulars	2024-25	2023-24	Change
Sale of products (including subsidy)	19532.86	23241.43	(3708.57)
Sale of services	48.46	40.80	7.66
Other Operating revenue	213.18	278.08	(64.90)
Revenue from operations	19794.50	23560.31	(3765.81)
Other income	95.02	110.31	(15.29)
Total Revenue	19889.52	23670.62	(3781.10)

Segment wise or product wise performance

Urea and other fertilizers:

Your Company has registered Urea production of 37.14 LMT with an overall capacity utilization of 114.95 % during 2024-25 against 36.89 LMT achieved during 2023-24 (CPLY).

Company achieved Bentonite Sulphur production of 18,051 MT against CPLY of 20,237 MT having a decline of around 10.8 %.

On the sales front, the Company has sale of Fertilizers of 63.37 LMT that includes sale of 37.32 LMT of own Urea, 4.18 LMT of Imported Urea, 11.99 LMT of RFCL Urea, 9.88 LMT of Non-Urea Fertilizers including 0.26 LMT (26466 MT) of Compost during 2024-25 as compared to 69.74 LMT during 2023-24 which includes sale of 36.66 LMT of own Urea, 5.46 LMT of Imported Urea, 11.09 LMT of RFCL Urea, 16.53 LMT of Non-Urea Fertilizers including 0.19 LMT (19129 MT) of Compost.

The detailed quantity of break-up of sale of urea and other Fertilizers is as under:

(in LMT)

Product	2024-25	2023-24	Change
1.Manufactured			
a) Urea	37.32	36.66	0.66
b) Bentonite Sulphur & Bio-Fertilizers	0.20	0.22	(0.02)
2.Traded Goods			
a) Imported	8.51	15.82	(7.31)
b) Indigenous	17.34	17.04	0.30
Total Fertilizers	**63.37**	**69.74**	**(6.37)**

Industrial Products:

The Company registered sale of Nitric Acid of 99,745 MT during 2024-25 as compared to previous sale of 87,249 MT during 2023-24. The Company also recorded sale of Ammonium Nitrate to the tune of 55,502 MT during 2024-25 as compared to sale of 40,510 MT achieved during 2023-24.

In terms of revenue generation from production and sale of Industrial products, the Company achieved sale of Industrial-Products (IP) comprising of Nitric Acid, Sodium Nitrate etc. to the tune of ₹673.48 crore during 2024-25 against CPLY of ₹470.87 crore during 2023-24.

Bio-Fertilizers

The Company sold 554 MT of Bio-Fertilizers (Solid & Liquid) to the tune of ₹2.08 crore in F.Y. 2024-25 as against 568 MT of ₹1.97 crore during CPLY.

Import & sale of Fertilizers

The Company sold 8.51 LMT of imported Non-Urea Fertilizers including DAP, MoP, APS, NPK, etc. worth ₹ 4,524.64 crore during 2024-25 against 15.82 LMT worth ₹8,089.55 crore during 2023-24.

Apart from the above, NFL also sold 4.18 LMT of Urea imported in Government Account in FY 2024-25 against 5.46 LMT during 2023-24.

Domestic Trading of Agro Products

The Company has registered total revenue of ₹144.89 crore towards trading of various agro products such as seeds, pesticides & compost and RFCL ammonia during the year against ₹174.71 crore during CPLY.

Gross Sale Composition

Item	% of total Sale Composition		% Increase/ (Decrease)
	2024-25	2023-24	
a) Urea (manufactured)	66.98	57.66	16.16
b) Other Products	33.02	42.34	(22.01)

Owing to progressive shift in strategy of the Company, the composition of gross sale of the Company has undergone visible change. Against the Urea (main product) contribution of 94.49% in the overall revenue of the Company during 2015-16, Urea contribution has reduced to 66.98% while contribution of Non-Urea business has increased to 33.02% during 2024-25. Percentage of total sale composition of other products during the year has reduced to 33.02% as compared to 42.34% during 2023-24 mainly due to lower import due to increase in global prices of imported fertilizer.

Projects completed/underway

The status of the NFL's ongoing projects is as under:

Setting up of manufacturing facilities for Agrochemicals at Bathinda

NFL is setting up manufacturing facilities of Agro-chemicals at its Bathinda unit with the total CAPEX of approx. Rs 13 crore.

Consent to establish (CTE) & Consent to operate (CTO) for manufacturing facility have been obtained from Punjab Pollution Control Board (PPCB). Manufacturing license has also been received from Deptt. of Agriculture, Punjab. Out of five trains, production has been started from four trains. Remaining one train is under completion by contractor and expected to be completed shortly.

Setting up of Diesel Exhaust Fluid (DEF) production plant at NFL, Panipat

NFL is in the process of setting up a production plant for Diesel Exhaust Fluid (DEF) having annual capacity of 20,000 KL at NFL, Panipat. Engineering, Procurement and Construction Management (EPCM) consultant is being lined up.

Setting up of Roof Top grid connected Solar PV power plant at NFL, Units

Roof top Solar PV power plant of approximately 1500 KWp is being set up at NFL, Panipat. It is likely to be completed by the end of F.Y. 2025-26.

NFL is also planning to set up Roof top Solar PV power plants at different units at Nangal, Bathinda and Vijaipur. Tentative capacities of plants are 1735 KWp, 600KWp and 1220 KWp respectively.

Setting up of Sulphur Coated Urea (Urea Gold) pilot plants at Panipat and Nangal Unit

NFL is setting up Sulphur Coated Urea (Urea Gold) plant having annual capacity of 5000 MT at its Panipat and Nangal Unit under R&D Project.

Panipat – Plant has been commissioned at Panipat Unit and PGTR of plant is being carried out.

Nangal – Construction jobs have been completed. Plant is expected to be commissioned shortly.

Setting up of Nano Urea (Liquid) plant at NFL, Nangal

Based on the Detailed Feasibility Report (DFR), NFL Board in its 481st Meeting held on 25th October, 2024 has accorded approval for closure of the proposed Nano Urea project (with 4% nitrogen content) in Nangal. The Company is in the process of implementing Hi Tech Nano Urea project (with more Nitrogen content, which will give more benefit to the farmers) in Nangal Unit at the earliest.

Integrated Energy Saving Projects

GoI has notified NUP-2015 norms in 2015 setting the Target Energy Norms (TEN) for different fertilizer units. Initially, TEN for Nangal, Bathinda and Panipat was set at 6.5 Gcal/MT of Urea while for Vijaipur-I &II it was set at 5.5 Gcal/MT.

Although these norms were implemented from April 2018, but owing to delayed execution of energy saving schemes at various units across industry, the GoI revised the TEN multiple times in response to representations from industry players for some of the companies. Accordingly, Vijaipur-II TEN of 5.5 Gcal/MT of Urea was implemented from April 2018 whereas for other units of NFL same were extended with certain penalty until March 31, 2023 or until the TEN was achieved, whichever is earlier. Although TEN of 6.5 Gcal/MT of Urea for Bathinda, Panipat and Nangal was implemented from 1st Oct, 2022 whereas same was extended for Vijaipur-I with penalty. Later, through a letter dated April 15, 2024, the norm for Vijaipur-I was further extended until December 31, 2024, with a 35% penalty. The new energy norms post 2025 are under review by the Department of Fertilizers.

In order to meet target energy norms designated for Bathinda, Nangal and Panipat, Gas Turbine Generators (GTGs) along with Heat Recovery Steam Generation (HRSGs) were installed at each unit. These installations commenced commercial operation at Bathinda and Nangal in May 2021 and at Panipat in January 2022.

Likewise, various energy saving schemes for Vijaipur I&II were carried out and got completed in March 2022.

Furthermore, M/s Topsoe was engaged to explore additional schemes for reducing energy consumption at Nangal, Bathinda and Panipat. Topsoe proposed the implementation of phased energy reduction schemes in the backend section of each unit's ammonia plant. Upon execution, these schemes are expected to collectively decrease energy usage by 0.15-0.25 Gcal/MT of urea at each unit.

In initial phase, steam turbine drives of syngas compressor are being replaced at Nangal, Bathinda and Panipat units.

Likewise above, M/s Topsoe is being lined up to review study energy reduction schemes at Vijaipur I&II units.

Industrial Safety, Ecology & Pollution Control

The Company is committed to achieving excellence in safeguarding the occupational and personal health of its employees by minimizing health hazards and providing state-of-the-art healthcare facilities. All units are equipped with modern hospitals and employees have access to specialized medical services as required. Regular periodic medical examinations are also conducted to ensure continuous health monitoring.

The Company maintains a strong focus on achieving sustained energy-efficient operations across its manufacturing units while ensuring a pollution-free environment and adherence to process safety standards. All manufacturing units are certified for ISO 9001 (Quality Management), ISO 14001 (Environmental Management) and OHSAS 18001 (Occupational Health and Safety), underscoring its steadfast commitment to quality, environment and employee safety.

To ensure compliance with environmental standards, all units are having **online monitoring systems** for **effluent and emission discharges**, which are integrated with the Central and State Pollution Control Boards.

Health and Safety Committees have been constituted at each unit, and quarterly review meetings are regularly conducted to address the related issues. Initiatives such as **Total Quality Management (TQM**) and **Hazard and Operability Studies (HAZOP**) have been implemented to enhance process safety.

To effectively handle emergencies such as fire, explosion, or toxic gas releases, comprehensive **On-site Emergency Disaster Plans and Off-site Emergency Plans** are in place. These plans are designed to train employees to respond efficiently and confidently during emergencies, thereby minimizing damage to personnel and assets. The effectiveness of these plans is ensured through surprise mock drills, the performance of which is thoroughly evaluated and improved upon. Regular inspections and visits by local authorities and national agencies, including the **National Disaster Management Authority**, help to ensure continued alignment with the best safety practices.

Each unit also has a **Disaster Management Quick Response Team**, to address the off-site emergencies, particularly those involving the transportation of hazardous substances like **liquid ammonia and chlorine gas**.

As part of its commitment to ecological sustainability, the Company has actively pursued afforestation across all units. A total of 10120 tree saplings were planted in and around various units during FY 2024-25 for cleaner and greener earth for future generation. The cumulative plantation since commencement is about 8.95 lakhs for all the units.

To increase the sub soil water level, all the units have installed Rain Water Harvesting system. This measure has helped in conservation of water, increase in underground water table and increase greenery in the surroundings.

A 1.5 MW capacity solar power plant is under installation at our Panipat unit. Once commissioned, it will contribute in providing greener power along with reduction in the unit's carbon footprint.

Furthermore, to minimize ecological impact, especially plastic pollution, the organization undertakes several initiatives. These include banning of single-use plastics within its premises, promoting minimal

plastic usage and managing approximately 16,000 metric tons of plastic waste annually to fulfill organization' EPR (Extended Producer Responsibility) obligation under Plastic Waste Management Rule, 2016 (as amended from time to time). This waste is collected and either recycled or properly disposed of through authorized waste management agencies.

Outlook

The company is envisaging the growth in its top & bottom line by adopting various business strategies as under:

- Maximization of Urea production in energy efficient manner.
- Maximization of production of Bentonite Sulphur & Bio-fertilizers.
- Maximization of production of Industrial Products including Ammonium Nitrate / Nitric Acid.
- Production of new products like Agro Chemicals, Water Soluble Fertilizer, Micronutrients, Zinc Solubilizing Bio-Fertilizer, Adblue etc.
- Import and sale of fertilizers like Urea, DAP, MoP, Complex fertilizers, Water Soluble Fertilizer including Calcium Nitrate.
- Marketing of Urea manufactured by RFCL.
- Domestic trading of Agro products (Pesticides, Weedicides etc.), Compost, Water Soluble Fertilizers, Calcium Nitrate, SSP, PDM, FOM etc.
- Dividend from RFCL.
- Establishment of an office abroad for trading of different type of fertilizers.
- Equity participation in the fertilizer companies abroad.
- Rationalization of manpower.
- Recruitment of manpower to meet the short fall arising out of massive retirements and future growth of the company.

Risk & Concerns

The major risk & concerns of company are outlined below:

- Low operating margins in Urea due to tight regulations.
- Strict Energy Norms for all the plants under New Urea policy (NUP)-2015 and further review of energy norms.
- Deletion of provision of minimum fixed cost retrospectively w.e.f. 02-04-2014 for Vijaipur I.
- Dependence on subsidy. Delay in receipt of subsidy leads to higher interest cost.
- Lack of Internal resources (funds) for future investment.
- Bathinda, Nangal and Panipat being old plants consuming higher energy than new and large capacity plants.

Environmental Protection and Conservation, Technological conservation, Renewable energy developments, Foreign Exchange Conservation

Disclosure in terms of the Companies (Account) Rules, 2014 in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Outgo is appended as **Annexure-6** forms part of the Board Report.

Company has undertaken various initiatives for adopting best practices for health, safety environment management and sustainable developments and the details of the same is appended as **Annexure-7** forms part of the Board Report.

Corporate Social Responsibility

A detailed report on the Corporate Social Responsibility is appended as **Annexure-5** forms part of the Board Report.

Risk Management Policy

The chemical fertilizer industry is operated in a hazardous environment and faces many risks including those related to health, safety and environment in addition to general business & financial risks. In order to mitigate them, the company has a comprehensive Risk Management Policy which is regularly reviewed and a periodical review of the risks, procedures and strategies is undertaken.

To review the new risks evolved during the quarter along with mitigation action undertaken as well as anticipated risks along with mitigation actions planned in future, the company has a two tier system where quarterly risks report is first reviewed by the Risk Assessment Committee (RAC) and thereafter final report is submitted to Risk Management Committee (RMC) for its recommendations before submission to Audit Committee and the Board of Directors. Efforts are made in a planned way to obviate the risks either fully or to minimize their impact.

Under Risk Management policy, all the risks along with mitigation actions undertaken have been reviewed by Risk Assessment and Risk Management Committees. Some of the major risk having severe financial impact as identified by the company include Implementation of Target Energy Norms under NUP-2015 which resulted reduction in profit margin mainly at Vijaipur I unit.

Internal Control Systems and their adequacy

The Company has a sound system of internal controls that ensures compliance with statutory requirements, regulations and implementation of various policies and guidelines. Besides Statutory Audit by C&AG, regular and exhaustive internal audits are conducted by independent chartered accountant firms in close co-ordination with NFL's Internal Audit Division to examine, evaluate, monitor and report on adequacy and effectiveness of the system of checks and balances is in place, compliance with policies, plans and statutory requirements, to protect its resources against waste, fraud and in-efficiency and to ensure accuracy and reliability in accounting and operating data.

The policies and guidelines are in the form of various codes, manuals and procedures, issued by the management, covering all critical and important activities viz. Budget, Purchase, Material, Stores, Works, Finance, Human Resources etc. Internal Audit Program is approved by Audit Committee of Directors and is conducted as per Accounting Standards and these codes, manuals, procedures, etc. that are updated from time to time. The observations/recommendations made by the auditing agencies are reported to the Audit Committee of Directors along with a report of compliance of directions issued in the past. The quarterly financial statements are reviewed by the Audit Committee of Directors before they are submitted to Board of Directors.

The Company has a well-defined Delegation of Powers in place, which lays down the powers for different managerial levels to facilitate faster decision making. The various policies, procedures and guidelines are continuously reviewed to improve effectiveness of the systems.

The Company has a full-fledged Vigilance Division to oversee that the guidelines of the Government and the rules/procedures of the company are strictly adhered/implemented in all matters. The Vigilance Division conducts regular inspection of various activities in Manufacturing Units, Zonal Offices and other Offices for taking corrective/preventive action.

Internal Financial Controls and its effectiveness

The Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31.03.2025.

Financial Performance

During the year, Company achieved revenue from operations of ₹ 19,794.50 crore (including subsidy of ₹ 13,685.10 crore) compared to ₹ 23,560.31 crore of CPLY (including subsidy of ₹ 15,734.12 crore). The sales turnover is mainly lower due to decrease in average gas price from CPLY ₹ 5,619/Gcal (US$ 17.10/MMBTU) to ₹ 5501/Gcal (US$ 16.39/MMBTU) during the year ended March, 2025 and decrease in sale of fertilizers by 6.37 LMT.

During the year, company achieved the Profit before Tax of ₹ 104.08 crore as against Profit before Tax of ₹88.52 crore during CPLY. PBT has increased mainly due to increase in contribution from sale of Urea, Industrial products & Bio-Fertilizers and Decrease in employee remuneration.

Short term borrowings of the Company as at 31.03.2025 stood at ₹ 1,995.77 crore, including cash credit utilization, short term loans and working capital demand loan etc. as compared to ₹ 4,088.33 crore as at 31.03.2024. The short term borrowings have decreased by ₹ 2,092.56 crore as on 31.03.2025 as compared to CPLY mainly due to lower import of goods.

Analysis of the Financial Performance of the Company:

a) Revenue from Operations

(₹ in crore)

Particulars	FY 2024-25	FY 2023-24	Change (%)
Revenue from Operations	19794.50	23560.31	(16)

Reason for variation:

The sales turnover was decreased mainly due to decrease in average gas price from US$ 17.10/MMBTU during the CPLY to US$ 16.39/MMBTU during the year ended 31.03.2025 and decrease in sale of fertilizers by 6.37 LMT.

b) Materials Consumed

(₹ in crore)

Particulars	FY 2024-25	FY 2023-24	Change (%)
Materials Consumed	7236.29	7648.99	(5)

Reason for variation:

The decrease in materials consumed is mainly due to decrease in average price of gas to US $16.39/MMBTU during current year as compared to US $ 17.10/MMBTU during CPLY.

c) Finance Cost

(₹ in crore)

Particulars	FY 2024-25	FY 2023-24	Change (%)
Finance Cost	225.68	267.30	(16)

Reason for variation:

Finance Cost decreased mainly due to decrease in Interest on Long Term Loans by ₹ 2.96 crore during the period and due to lower average borrowings.

d) Repairs & Maintenance

(₹ in crore)

Particulars	FY 2024-25	FY 2023-24	Change (%)
Repairs and Maintenance	118.70	113.65	4

Reason for variation:

Repair and Maintenance has increased by 4% during 2024-25 as compared to CPLY.

e) Employees Benefits

(₹ in crore)

Particulars	FY 2024-25	FY 2023-24	Change (%)
Employee Remuneration & Benefits	610.00	635.50	(4)

Reason for variation:

Employee Benefit Expenses has decreased by 4% during 2024-25 as compared to CPLY mainly due to superannuation of employees.

f) Power and Fuel

(₹ in crore)

Particulars	FY 2024-25	FY 2023-24	Change (%)
Power and Fuel	4872.24	4732.54	3

Reason for variation:

Power and Fuel expenses have increased by 3%.

g) Freight and Handling

(₹ in crore)

Particulars	FY 2024-25	FY 2023-24	Change (%)
Freight and Handling	935.25	1152.03	(19)

Reason for variation:

Freight & Handling expenses have decreased mainly due to Lower dispatches by 6.37 LMT.

h) Other Expenses

(₹ in crore)

Particulars	FY 2024-25	FY 2023-24	Change (%)
Other Expenses	291.10	306.09	(5)

Reason for variation:

Other expenses have decreased mainly due to decrease in Advertisement, Publicity and Sales Promotion by ₹25.24 crore during 2024-25 and decrease in Exchange rate variation (net) by ₹9.75 crore and increase in Insurance expense by ₹ 13.99 crore.

i) Other Income

(₹ in crore)

Particulars	FY 2024-25	FY 2023-24	Change (%)
Other income comprising of interest income and other non-operating income.	95.02	110.31	(14)

Reason for variation:

Mainly on account of decrease in interest income on financial assets.

Financial Status

a) Fixed Assets

(₹ in crore)

Particulars	FY 2024-25	FY 2023-24	Change (%)
Tangible Assets	3646.15	3829.57	(5)
Intangible Assets	47.67	1.35	3431
Capital work in progress	171.53	207.50	(17)
Intangible Assets under development	-	34.37	(100)
Total	**3865.35**	**4072.79**	**(5)**

Reason for variation:

The decrease was mainly on account of decrease in Tangible assets by ₹ 183.42 crore which was partially offset by increased Intangible assets by ₹ 46.32 crore and decrease in intangible assets under development by ₹ 34.37 crore.

b) Non-current Investment

(₹ in crore)

Particulars	FY 2024-25	FY 2023-24	Change (%)
Investments (Net of Provisions)	491.48	491.48	-

Reason for variation:

No change in Non-current investment.

c) Inventories

(₹ in crore)

Particulars	FY 2024-25	FY 2023-24	Change (%)
Raw Materials	11.27	4.61	144
Stores and Spares (Incl. packing material)	269.65	252.84	7
Semi-finished/finished products (incl. traded)	606.11	1467.60	(59)
Others (carbon slurry)	23.50	24.62	(5)
Total	**910.53**	**1749.67**	**(48)**

Reason for variation:

Inventories Decreased mainly due to decrease in closing stock of P&K fertilizers.

d) Trade Receivables

(₹ in crore)

Particulars	FY 2024-25	FY 2023-24	Change (%)
Gross Debtors – FICC	3001.52	3592.02	(16)
Others	319.13	488.45	(35)
Less: Provision for Doubtful Debts	(47.35)	(43.38)	9
Net Debtors	**3273.30**	**4037.09**	**(19)**

Reason for variation:

Trade Receivables have decreased during 2024-25 mainly due to lower sale of traded fertilizers.

e) Current Assets – Other Financial Assets

(₹ in crore)

Particulars	FY 2024-25	FY 2023-24	Change (%)
Other Financial Assets	109.32	147.80	(26)

Reason for variation:

Other Financial Assets decreased mainly due to lower Claim receivables during the year 2024-25.

f) Current Liabilities

(₹ in crore)

Particulars	FY 2024-25	FY 2023-24	Change (%)
Short Term Borrowings	1995.77	4088.33	(51)
Trade Payables	1537.27	1348.39	14
Other Financial Liabilities	841.50	854.96	(2)
Provisions	147.88	126.75	17
Other Current Liabilities	174.62	163.25	7
Total	**4697.04**	**6581.68**	**(29)**

Reason for variation:

The current liabilities have decreased during 2024-25 due to decrease in short term Borrowings.

Human Resource Management

The Company considers its Human Resource as its most important asset and makes sustained efforts for the development of its manpower. Company has a well-established Human Resource Department to cater the training needs of employees, keeping in view the changing technology and overall business environment.

The Company has manpower strength of 2511 regular employees as on 31.03.2025, which comprises 1277 Executives and 1234 Non- Executives. 184 women employees are on its roll, which is 7.33% of the total work force.

To improve skills and instill behavioral and personality development traits in all supervisory staff and managerial cadre, NFL organized number of training programmes (in-house as well as external) on contemporary subjects during the year. The training programmes were identified through Performance Management System by synchronizing organizational needs with individual needs. The Company also organized specially designed training programmes for developing women employees in various areas of expertise. In these diverse programmes, 9200 man-days training were imparted to employees and 1100 man-days training to women employees.

Employees' participation in Management is an essential ingredient of industrial democracy, which implies mental and emotional involvement of employees in the management of enterprise. NFL always supported the participative culture in the management through consultative approach. The efforts to promote employees' participation in various activities like Suggestion Scheme, Welfare, Safety, interactions between Management and employees' representatives on various issues continued during the year. Industrial relations remained cordial during the year.

The industrial relations at all Units/ Offices of NFL during 2024-25 remained cordial.

Details of Significant changes in Key Financial Ratios

Details of Significant changes in Key Financial Ratios have been detailed in Note 64 of Financial Statement for FY 2024-25.

Cautionary Statement

Statements in the Management Discussions and Analysis describing the Company's focal objectives, expectations or anticipations may be forward looking statements within the meaning of applicable securities, laws and regulations that describe our objectives, plans or goals. All these forward looking statements are subject to certain risks and un-certainties, including but not limited to, Government action, economic development and risks.

For and on behalf of the Board of Directors

Registered Office:
Scope Complex, Core-III, 7,
Institutional Area, Lodhi Road,
New Delhi-110003.

(Dr. U. Saravanan)
Chairman & Managing Director
DIN: 07274628

Date: 29th August, 2025

Annexure-2

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1	Corporate Identity Number (CIN)	L74899DL1974GOI007417
2	Name of the Listed Entity	NATIONAL FERTILIZERS LIMITED
3	Year of incorporation	1974
4	Registered office address	Scope Complex, Core-III, 7, Institutional Area, Lodhi Road New Delhi – 110003
5	Corporate address	A – 11, Sector – 24, Noida Distt. Gautam Budh Nagar – 201301
6	E-mail	cs@nfl.co.in
7	Telephone	0120-2412383
8	Website	www.nationalfertilizers.com
9	Financial year for which reporting is being done	2024-25
10	Name of the Stock Exchange(s) where shares are listed	NSE / BSE
11	Paid-up Capital	INR 490.58 Crore
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. P. Parthiban General Manager (B.E.C. &C.) Telephone : 0120-2412294/2412445 Ext.3623 Fax: 0120-2412397 Email : parth@nfl.co.in
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone
14	Name of assurance provider	Not Applicable
15	Type of assurance obtained	Not Applicable

II. Products/services

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

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacture and sale of fertilizer - Urea	a) Manufacture & Sale of fertilizer Grade Urea, Bentonite Sulfur and other industrial products. b) Trading of other fertilizers & Agro Products (Agrochemicals, Seeds etc.)	>99.42

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

Sr. No.	Product / Service	NIC Code	% of total Turnover contributed
1.	Manufacture & Sale of Urea	20121	66.98
2.	Trading of Fertilizers and Agrochemicals	46692	29.00
3.	Manufacturing of Industrial Products	20123	3.44

* Based on 2024-25 data.

III. Operations

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

Location	Number of plants	Number of offices	Total
National	5	38	43
International	Nil	Nil	Nil

19. Markets served by the entity:

a) Number of locations

Locations	Number
National (No. of States)	21
International (No. of Countries)	Nil

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

c) A brief on types of customers
The entity is engaged in manufacturing of Fertilizers, Industrial Products and trading of mainly Agro Inputs which are supplied to customers (Farmers) through Wholesale dealers network (Private, Government & Institutional).

IV. Employees

20. Details as at the end of Financial Year:

a) Employees and workers (including differently abled):

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	EMPLOYEES					
1.	Permanent (D)	1277	1177	92.17	100	7.83
2.	Other than Permanent (E)	-	-	-	-	-
3.	**Total employees (D + E)**	**1277**	**1177**	**92.17**	**100**	**7.83**
	WORKERS					
4.	Permanent (F)	1234	1150	93.19	84	6.81
5.	Other than Permanent (G)	-	-	-	-	-
6.	**Total workers (F + G)**	**1234**	**1150**	**93.19**	**84**	**6.81**

b) Differently abled Employees and workers:

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	11	10	90.91	1	9.09
2.	Other than Permanent (E)	-	-	-	-	-
3.	**Total differently abled employees (D + E)**	**11**	**10**	**90.91**	**1**	**9.09**
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	34	33	97.06	1	2.94
5.	Other than permanent (G)	-	-	-	-	-
6.	**Total differently abled workers (F + G)**	**34**	**33**	**97.06**	**1**	**2.94**

21. Participation/ Inclusion/ Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	7	1	14.28
Key Management Personnel *	24	3	12.5

* Includes Senior Management

22. Turnover rate for permanent employees and workers
(Disclose trends for the past 3 years)

	FY 2024-25 (Turnover rate in Current FY)			FY 2023-24 (Turnover rate in previous FY)			FY 2022-23 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	11.64	5.00	16.64	13.37	10.05	23.42	10.11	0.33	10.44
Permanent Workers	9.20	5.68	14.88	7.71	10.52	18.23	7.01	0.33	7.34

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

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

Sr. No.	Name of the holding/ subsidiary/associate companies/ joint ventures (A)	Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A; participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Urvarak Videsh Limited (UVL)	Associate	33.33	NA
2.	Ramagundam Fertilizers and Chemicals Limited (RFCL)	Associate	26.00	-

VI. CSR Details

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

(ii) Turnover (in Rs.) : 19794.50 Crore

(iii) Net worth (in Rs.) : 2763.97 Crore

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	-	-	-	-	-	-	-
Investors (other than shareholders)	-	-	-	-	-	-	-
Shareholders	Yes	1	0	1 Complaint was received from shareholder and same was resolved within timeline	Nil	Nil	-
Employees and workers	Yes	3	2	-	2	Nil	-
Customers	Yes	Nil	Nil	-	40	Nil	-
Value Chain Partners	Yes	Nil	Nil	-	Nil	Nil	-
Other (please specify)	-	-	-	-	-	-	-

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Plastic waste Management rules-2016 (along with subsequent amendments) : MOEF&CC notified "Plastic Waste Management Rules 2016 (amended)" wherein fertilizer manufacturing companies have to get registered with State Pollution Control Board / Central Pollution Control Board as Brand Owner and prepare an action plan for collecting back the plastic waste and its disposal.	**Risk**	• Urea is sold to farmers in the country in multilayered plastic bags. • As per latest draft Notification dtd 06.10.2021 on the matter, 100% recycling of Plastic Waste generated is required to recycle in year 2024-25. • The annual plastic waste generated by NFL is approx. 16300 MT.	• NFL has achieved the target of recycling of 100% of plastic waste for the year 2024-25.	Negative • Total financial implication for the year 2024-25 is Rs 1.75 Cr. • Urea is controlled commodity and additional expenditure will impact the financials of the company.
2.	Tightening of Energy norms by GoI by implementation of NUP-2015 norms and further revision is due from April 2025	**Risk**	Tightening of energy norms has reduced company's operational profit from urea manufacturing business. Further, reduction in energy norms shall make operation unviable.	• To meet the revised norms of NUP-2015, NFL has already spent more than Rs 1000 Crore. • However, by implementation of these schemes NFL was able to only reduce losses but further tightening of energy norms will make operation of these plants unviable.	Negative • NFL has completed the energy saving projects by March 2022 leading to reduction of energy consumption and reduction of carbon footprints by more than 25%. • However, Urea operations were at risk till the projects were completed as energy consumption

				• Energy Norms of NUP-2015 (REN) for Vijaipur-I Unit under consideration for extension till 31.03.2025 with penalty of 35% of difference between REN and Target Energy Norms (TEN) or till the unit achieves the TEN, whichever is earlier. • Further, revision of energy norms beyond 01.04.2025 are under review and notification for the same is awaited.	was higher than the norm. • Further, energy reduction norms by GoI will severely impact NFL profitability.
3.	Notification of BEE for compliance of renewable power	**Risk**	• All fertilizer manufacturing plant operate by sourcing the power from running the GTG-HRSG to avoid frequent plant tripping and thermal shocks to plant.	NFL has to purchase equivalent RCO/REC for compliance	Negative The estimated financial implication on account of purchase of REC will be Rs. 4-5 Cr.
4.	Agriculture Waste Management (Composting/ FOM/ PDM)	**Opportunity**	• Agriculture Waste can be utilized as Organic manure which offers numerous environmental benefits, primarily by reducing pollution, enhancing soil health and promoting sustainability in agriculture.	NA	The organic agro-products i.e. City Compost, FOM & PDM increase the turnover & profitability of Company.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and Management Processes									
1. a) Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No) **Yes**	The Principles of the NGRBC are, by and large, included in various policies, Vision and Mission statements of the company, even though there is no consolidated policy which covers all the nine principles of NGRBC.								
b) Has the policy been approved by the Board? (Yes/No) **No**									
c) Web Link of the Policies, if available **No**									
2. Whether the entity has translated the policy into procedures. (Yes / No) **No**									
3. Do the enlisted policies extend to your value chain partners? (Yes/No) **No**									
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO-9001 ISO-45001-2018 ISO-50001-2018					ISO- 14001		ISO-9001	
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Principles of the NGRBC are, by and large, included in various policies, Vision and Mission statements of the company, even though there is no consolidated policy which covers all the nine principles of NGRBC.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.									
Governance, Leadership and Oversight									
7. Statement by Director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (*listed entity has flexibility regarding the placement of this disclosure)* Company strives to achieve excellence in improving employees occupational and personal health by minimizing health hazards and providing model facilities. Company has well equipped hospitals at all units. In addition to that the employees also have access to specialized medical services wherever required. Periodic medical examinations and health check-up of all employees is being done as per occupational health policy. Company remained focused towards achieving Sustained energy efficient operations of its manufacturing facilities while maintaining pollution free environment and process safety. All manufacturing Units continue to be ISO 9001-2015, ISO 14001-2015 and ISO 45001-2018 certified which indicate Company's commitment to quality, Environment and Occupational Health and Safety. To tackle climate change, company remained focused towards achieving a low carbon footprint, reducing emission level and effluent discharge from the units. All the units have installed on-line monitoring system both for effluent and emission discharge. On-line monitoring systems are already integrated with Central and State Pollution Control Boards in order to monitor the level of pollutants on continuous real time basis.									

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	**Dr. U. Saravanan** **Chairman & Managing Director**
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	**Yes,** the entity has constituted Corporate Social Responsibility and Sustainable Development Committee for looking into the matter of sustainability related issues.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	**No**									**N.A.**								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	**All NFL Units are in Compliance with statutory requirements.**																	

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	No								

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

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	No	No	No	No	No	No	No	No	No
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	No	No	No	No	No	No	No	No	No
It is planned to be done in the next financial year (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Any other reason (please specify)	-	-	-	-	-	-	-	-	-

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

PRINCIPLE 1: Businesses should conduct and govern them with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programs held	Topics/Principles covered under the training and its impact	%age of persons in respective category by the awareness programs
Board of Directors	Nil	Nil	Nil
Key Managerial Personnel (KMP) (including Senior Management)	96	• Fertilizer Logistics - Port handling Operations and Coastal Shipping • E-Commerce and Digital Agriculture • Agrochemicals R&D & Innovations • Improving Professional and Personal Effectiveness • GFR 2017, Government e- Market & Latest Manual for Procurement of Goods, Works, Consultancy & Other Services • Investigation of Financial Crime • Public Procurement with e-Procurement • Right to Information Act • Public Procurement • Preventive Vigilance • Need for reforms in Fertilizer Policy-Way Forward • Administrative Vigilance and Prevention of Corruption, Handling/ Scrutiny/ Investigation of Complaint/ Grievances having vigilance Angle	80%

Segment	Total number of training and awareness programs held	Topics/principles covered under the training and its impact	%age of persons in respective category by the awareness programs
		• Recruitment Rules and Reservation Rosters • Stress Management and Work Life Balance • Fertigation and Sustaining Soil Health through Integrated Nutrient Management • Inventory Management Strategies • Training of Trainers Programme as per CVC guidelines • Workshop on Corporate Social Responsibility • Advanced Global Techno- Management Program • Fertilizer Business Management • Cyber Hygiene and Security • Harnessing Future- Ready Enterprises for Quantum Growth and Global Leadership • Ethics in Governance: Shaping Tomorrow' s Transformation • Prevention of Sexual Harassment of Women at Workplace • Right to Information act for CPIO & Appellant Authorities • Senior Maintenance Engineers in Fertilizer Industry • Retirement: A milestone for better tomorrow • Advanced Procurement & Contract Management • Contracts and their Management • Conference on Cyberlaw, Cybercrime & Cybersecurity • Training Program for IOs/POs • Training for Inquiry Officers/Presenting Officers • Gender Mainstreaming Policies for Government Officers (A) & "Smart and Sustainable Cities" • Argus Fertilizer Asia Conference 2024 • Training of Trainer on Cyber Security & Cyber Hygiene	

Segment	Total number of training and awareness programs held	Topics/principles covered under the training and its impact	%age of persons in respective category by the awareness programs
		• FAI Annual Seminar-2024 • Bearing Selection, Handling, Assembly, Lubrication and Maintenance- Monitoring the Bearing, Lifeline of Rotating Machines • Procurement in CPSEs • Public Procurement (Emphasis on Goods, Services and Consultancy) • Vigilance Administration • Indian Accounting Standards • Pay Fixation Rules • Fertilizer Policy in India- Need for Reforms • Public Procurement Principles and GeM • Preventive Vigilance Modules • Public Sector Enterprises 2047- the GIFT IFSC opportunity-2024 edition • Disciplinary Rules & Procedures • Capacity building program for Executive Secretaries, Personal Assistants and Aos • GFR 2017, Government e- Market & Latest Manual for Procurement of Goods, Works, Consultancy & Other Services • Outbound Transformational Leadership Training Program • International Program on Organizational Leadership • Improving Leadership Skill for Better Perfomance • Developing Occupational Safety, Health and Welfare, • Safety in Chemical and Other Hazardous Industries • Team Building, Collaboration and Cohesiveness	

Segment	Total number of training and awareness programs held	Topics/principles covered under the training and its impact	%age of persons in respective category by the awareness programs
Employees other than BOD and KMPs	325	• Preventive Vigilance Strategies- Focusing on Vulnerable Areas, • Purchase Procedure, • Sustainable built Environment for Future, • Project Mind Set - the key to Competitiveness, • Role of Employee participation in Improving Occupational Safety and Health at Work Place, • Financial Awareness & Money Management talk, • First Aid & CPR, • "Only one Earth" • Production and use of Green Hydrogen and Green Ammonia in Process Industry, • "Presidential Directives on Reservation", • Importance of Safety Work Permit, • Health and Happiness • Onsite Emergency Plan and different types of hazards and their remedial measures, • Stores Manual, • HDPE Bag Testing Procedure, • Preventive Vigilance – Tool for Corruption Free India for a developed Nation, • Industrial Safety Awareness Programme, • Startup of Primary Reformer & Trip Interlock System, • Procurement of Services through GeM Portal, • Organizational Change Management, • Capacity Building and Leadership Development, • Stress Management and Work Life Balance, • Green Growth through Green Ammonia and Green Hydrogen, Passion for Performance, • Internal Auditor Training on IMS ISO 9001:2015, ISO 14001:2015, ISO 45001: 2018,	60%

Segment	Total number of training and awareness programs held	Topics/principles covered under the training and its impact	%age of persons in respective category by the awareness programs
		• Review of Risk, Opportunities, Environment aspect • Implementation of Energy Management Systems (ISO 50001:2018), • Developing Occupational Safety, Health and Welfare, • Safety in Chemical and Other Hazardous Industries • Team Building, Collaboration and Cohesiveness, • Reservation Policy for SCs/STs/ OBCs/ EWS in Services etc., • Training of IO/PO, • E- Procurement, • Leadership for Women Officials, • Recruitment Rules and Rosters, • Training for Company Secretaries of CPSEs • Training program on RTI, • Administrative Vigilance with Disciplinary Rules & Procedures, • Key Features of Various Labour Codes, • Transparency Audit with respect of compliance under Section 4 of RTI Act, 2005 & Right to Information Act, • Procurement by CPSEs from MSEs and through GeM, • Fertilizers and Food Security Challenges and Way Forward, • Fertilizer Logistics, Port Handling Operations and Coastal Shipping, • A New Paradigm of Holistic Health, • Startup & Shut down activities of GTG, • Contract Labour Management.	

Segment	Total number of training and awareness programs held	Topics/principles covered under the training and its impact	%age of persons in respective category by the awareness programs
Workers	120	• Role of Employee participation in Improving Occupational Safety and Health at Work Place, • Prevention of Sexual Harassment at Work place, • Loco Operation Training, • Participative Safety & Health in Hazardous Process Factories etc., Passion to Performance, Stress Management, • Procurement of Services through GeM Portal, • Anti -Fraud Policy.	60%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):

For matters pertaining to companies Act, 2013 and SEBI Regulations, No fine or penalties have been paid by the entity or by Directors / KMPs.

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	-	-	-	-	-
Settlement	Nil				
Compounding fee	Nil				

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

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

For matters pertaining to Companies Act, 2013 and SEBI Regulations, No Appeals/ Revision was made by the entity or by Directors / KMPs.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Nil	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

No

However, NFL enters into an integrity pact with all vendors while finalizing contracts with value of Rs. 1 Crore and above.

IEMs have also nominated, details of which are available on the NFL website at the following link: https://www.nationalfertilizers.com/wp-content/uploads/2024/08/Integrity-Pact-new-one-more-IEM-Aug-2024.pdf

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

	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Directors	Nil*	Nil*
KMPs	Nil*	Nil*
Employees	Nil	Nil
Workers	Nil	Nil

* For matters pertaining to Companies Act, 2013 and SEBI Regulations, no disciplinary action was taken against Directors/ KMPs.

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

	FY 2024-25 Current Financial Year		FY 2023-24 Previous Financial Year	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil*	N.A.	Nil*	N.A.
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil*	N.A.	Nil*	N.A.

* For matters pertaining to Companies Act, 2013 and SEBI Regulations only.

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

For matters pertaining to companies Act, 2013 and SEBI Regulations, no corrective action taken.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Number of days of accounts payables	32	29

9. **Open-ness of business**

Provide details of concentration of purchases and sales with trading houses, dealers and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	45.56	54.91
	b. Number of trading houses where purchases are made from	4	3
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	100	100
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	100	100
	b. Number of dealers/distributors to whom sales are made	4139	3849
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	35.56	29.82

Parameter	Metrics	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	666.01 Cr. / 16480.86 Cr.	616.49 Cr. /19246.74 Cr.
	b. Sales (Sales to related parties / Total Sales)	-	-
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	-	-
	d. Investments (Investments in related parties / Total Investments made)	-	-

Note: Concentration of purchases from Imports only.

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
234	Fertilizer Control Order, Fertilizer Quality Control, DBT in Fertilizers, NFL existing and New Products, Technological Development in Agriculture, Govt. schemes related to Agriculture and Fertilizer Sector, Soil Testing and soil test based fertilizer use, integrated nutrient management, Soil Testing, Package and Practices of various crops, Use of Drones in Agriculture, Pest and disease management in field crops, PM-PRANAM, PMKSK etc.	N.A.

Note: During the year 2024-25, total 234 awareness programmes (42 for NFL dealers and 192 for farmers) conducted and 1700 no. of dealers and 12000 no. of farmers participated in these programmes.

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes

The Code of conduct of Company provides that the Board Members shall undertake to inform the Chairman & Managing Director / Company Secretary of the Company of any changes in their other Board positions, relationship with other business and other events / circumstances / conditions that may interfere with their ability to perform Board / Board Committee duties. Further, the Board Members undertake that without prior approval of the disinterested members of the Board, they will avoid apparent conflict of interest.

Every Director shall at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after such change, disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals which shall include the shareholding in form MBP-1.

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

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	Nil	Rs. 7 Lakh	
Capex	Nil	Nil	

2. (a) Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes

Company has undertaken various initiatives for adopting best practices for sustainable sourcing. Most of the material is procured following procedures laid down by GoI from time to time. Whenever procurement is to be made through open tendering procedures, reputed suppliers are selected through transparent qualification criteria in line with various guidelines of GOI.

Further, to maintain and foster most ethical and corruption free business environment, NFL has adopted the Integrity Pact (for orders more than Rs 1 crore), so as to ensure that all activities and transactions between the Company (NFL) and its Counterparties (Bidders, Contractors, Vendors, Suppliers, Service Providers/Consultants etc.) are handled in a fair and transparent manner. Integrity Pact is implemented through Independent External Monitors who ensure that concerned parties comply with their respective obligations under the Integrity Pact. Independent External Monitors (IEMs) nominated by Central Vigilance Commission (CVC) monitor the activities.

(b) If yes, what percentages of inputs were sourced sustainably?

Procurement is done as per Govt. guidelines issued time to time.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

NFL manufactures, Neem coated urea, Bentonite Sulphur, Sodium Nitrate, Sodium Nitrite, Nitric Acid etc., which are consumable and cannot be reclaimed. However, company uses plastics for packaging and e-wastes are generated due to use of computers, controllers, and

instrumentation. Hazardous wastes are generated in the form of spent resin, used catalysts and spent oil after use of it in the plants.

There is well defined procedure in the company for reusing, recycling and disposing at the end of life for these wastes in line with CPCB/SPCB guidelines.

Category wise details are as below:

(a) **Plastics (including packaging):** NFL uses plastic as a packaging material for its products like Urea, DAP, SSP etc. NFL has submitted its application to get registration as a Brand Owner under Plastic Waste Management Rules 2022. NFL has performed Extended Producer Responsibility (EPR) obligation of around 16300 MT plastic waste for FY 2024-25. To fulfill its obligation NFL has engaged agencies to fulfill its EPR obligation by recycling/ disposing off the plastic waste on behalf of NFL.

(b) **E-waste:** Specified procedures are in place for disposal of e-waste.

(c) **Hazardous waste:** NFL has majorly three main hazardous wastes i.e. Spent Resin, spent Catalyst and Spent Oil. To dispose of these hazardous wastes, NFL floats tender to CPCB/SPCB approved parties as and when required. Successful bidder takes away the hazardous waste to CPCB/SPCB designated places for disposal in specified manner.

(d) **Other waste:** Not Applicable

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/ No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Extended Producer Responsibility (EPR) under Plastic Waste Management (Amendment) Rules, 2022 is applicable to NFL.

Waste collection/disposal plan of the organization is in line with the Pollution Control Boards guidelines and EPR plan has been submitted to CPCB. Refer reply at point no 3 (a) above.

Leadership Indicators

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

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

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

Name of Product / Services	Description of risk / concern	Action taken
Chemical Fertilizers Agrochemicals	The Company has been manufacturing and marketing Urea and other allied products in a responsible manner for decades and established consistent commitment to productive economic activity and sustainability. Use of fertilizer is for improving nutrients of soil and increasing agriculture production.	

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Not Applicable		

4. Of the product and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastic (including packaging)	Nil	Nil	Nil	Nil	Nil	Nil
E-waste	Nil	Nil	Nil	Nil	Nil	Nil
Hazardous waste	Nil	Nil	Nil	Nil	Nil	Nil
Other waste	Nil	Nil	Nil	Nil	Nil	Nil

Note: NFL has so far not reclaimed at the end of life of products/ reused/recycled and disposed of plastic (including packaging).

However, as per EPR obligation, company has recycled/safely disposed around 16300 MT of plastic waste for FY 2024-25 through an outside agency registered with CPCB.

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

Indicate product Category	Reclaimed products and their packaging materials as % of total products sold in respective category
Plastic bags for Urea	Refer Note for point no 4 above.

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a) Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity Benefit		Paternity Benefit		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employee											
Male	1177	1177	100	1177	100	To all eligible employees				N.A.	N.A.
Female	100	100	100	100	100					N.A.	N.A.
Total	**1277**	**1277**	**100**	**1277**	**100**					N.A.	N.A.
Other than Permanent employee											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

b) Details of measures for the well-being of workers:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity Benefit		Paternity Benefit		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employee											
Male	1150	1150	100	1150	100	To all eligible worker				N.A.	N.A.
Female	84	84	100	84	100					N.A.	N.A.
Total	**1234**	**1234**	**100**	**1234**	**100**					N.A.	N.A.
Other than Permanent employee											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

c) Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format-

	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Cost incurred on well-being measures as a % of total revenue of the company	6.01%	5.96%

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

Benefits	Current Financial Year (FY 2024-25)			Previous Financial Year (FY 2023-24)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Yes	100	100	Yes
Gratuity	100	100	Yes	100	100	Yes
ESI	-	-	-	-	-	-
Others-please specify	Leave Encashment to all employees. GSLI and defined contribution superannuation pension scheme (optional) for eligible members only.					

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes

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

Government guidelines are being followed.

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100	100	100	100
Female	100	100	100	100
Total	**100**	**100**	**100**	**100**

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes / No (*If Yes, then give details of the mechanism in brief*)
Permanent Workers	Grievance may be submitted through CPGRAM portal.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

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

Category	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	All workers and officers (Males and females) are eligible for membership in Unions and Associations respectively.			All workers and officers (Males and females) are eligible for membership in Unions and Associations respectively.		
- Male						
- Female						
Total Permanent Workers						
- Male						
- Female						

8. Details of training given to employees and workers:

Category	FY 2024-25 Current Financial Year					FY 2023-24 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	1177	942	80.03	1177	100	1262	947	75.04	1262	100
Female	100	85	85	100	100	100	44	44	100	100
Total	**1277**	**1027**	**80.42**	**1277**	**100**	**1362**	**991**	**72.76**	**1362**	**100**
Workers										
Male	1150	1150	100	1150	100	1285	879	68.4	1285	100
Female	84	84	100	84	100	92	80	86.6	92	100
Total	**1234**	**1234**	**100**	**1234**	**100**	**1377**	**959**	**69.64**	**1377**	**100**

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

	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	1177	1177	100	1262	1262	100
Female	100	100	100	100	100	100
Total	**1277**	**1277**	**100**	**1362**	**1262**	**100**
Workers						
Male	1150	1150	100	1285	1285	100
Female	84	84	100	92	92	100
Total	**1234**	**1234**	100	**1377**	**1377**	**100**

10. Health and safety management system:

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

Yes, All employees.

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

- To identify work-related hazards, HAZOP (Hazard and Operability study) study is conducted necessarily at the initial stage of project and at any major modification of the plant. Qualitative Risk Assessment is also carried out to identify any work-related hazard.
- Further, Safety Audit of all the Units of NFL is conducted by External Safety Auditor annually and their recommendations implemented in the plant.

c) Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes

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

Yes

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.00	0.00
	Workers	0.067	0.195
Total recordable work-related injuries	Employees	0.00	0.00
	Workers	1.00	3.00
No. of fatalities	Employees	0.00	0.00
	Workers	0.00	1.00
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0.00	0.00
	Workers	0.00	0.00

* Including in the contract workforce.
** NFLs workers and contractor's workers both have been considered as worker.

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

Safety, Health and Environment (SHE) are always a prime concern for the industries like ours. NFL management takes all necessary steps to improve the condition of employees and workers of company along with giving importance to the environment.

The main steps to ensure the above are as below:

(a) There is separate and fully equipped Fire/ Safety department at each Unit of NFL Company ensures the availability of all required Personnel Protective Equipment (PPEs), tools, tackles fire tenders etc, at each Unit.

(b) Trainings, workshops and seminars on SHE (Safety, Health and Environment) related activities for the employees and workers are regularly organized at all Units and Offices.

(c) Emergency plans (On-site as well as Off-site plans) at each Unit have been prepared and that are in line with the various rules and regulation of Govt. agencies.

(d) There are Mutual aid teams at each Unit of NFL comprising of NFL Safety/Fire team along with nearby industries to provide assistance and share Safety PPEs/equipment's, fire tenders, personnel's etc in case of emergency.

(e) Emergency Mock drills and Fire drills are conducted regularly at all Units.

(f) Third party Safety audit of all the Units of NFL are conducted annually.

(g) Monthly, quarterly and annual SHE meetings are conducted at Units and Corporate level.

(h) Regular safety surveys are conducted at each Unit to ensure the healthiness and integrity of all the plants/sections.

(i) Trees plantation to improve the greenery and eco-system of surrounding area at all the Units and Offices.

(j) Regular health check- up of employees and workers are done.

(k) Hospital facilities have been provided at all the Units.

(l) All the standards regarding Air and Water as stipulated by CPCB/SPCB is rigorously monitored and maintained at each Unit of NFL with online real time data being uploaded on CPCB site regularly.

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

	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Issues, if any are discussed in Plant Level Committee and Works Committee meetings which have equal representatives of workmen union and management.					
Health & Safety						

14. Assessments for the year:

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

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

A comprehensive review of all aspects involved in the height jobs has been conducted to strengthen the practices and ensure the sufficient safeguards to prevent the occurrence of accidents related to work at height. In addition, following safety measures and improvements have been implemented:

i) Documented procedure for working on the fragile roof

ii) Reinforcement of operating discipline

iii) Competency Build up program

iv) Training validation system

v) Multi-tier supervision of high risk jobs

vi) Fall protection system augmentation

vii) Installation of horizontal life line on the fragile roof

viii) Vertical fall protection system for painting jobs

Leadership Indicators

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

   A. **Employees:** Yes, NFL provides for Group Personal Accident Insurance to employee died in accident while in service and NFL provides Employees Family Economic & Social Rehabilitation Scheme to all employees who died while in service.

   B. **Workers:** Yes, NFL provides for Group Personal Accident Insurance to employee died in accident while in service and NFL provides Employees Family Economic & Social Rehabilitation Scheme to all employees who died while in service.

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

   ECI & ECR challan are checked before releasing payment to contractors.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Employees	Nil	Nil	Nil	Nil
Workers	Nil	01	Nil	01*

* The deceased worker's family has been given compensation and his brother has been employed on the same job by the contractor.

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

   Yes, NFL organizes Training programme "Retirement -a Milestone" for facilitating the transitional phase of employees after retirement.

5. Details on assessment of value chain partners:

   The performance of the Value chain partner (concerned party / contractor) is assessed based on pre-defined deliverables and compliances of all applicable and governing laws, rules and regulations and bylaws both of the Central and State Government and all other local authorities (including Sexual Harassment, Discrimination at workplace, Child Labour etc.)

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100%
Working Conditions	100%

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

   Same as given at Sr.No. 15 in Essential Indicator in Principle 3.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

   For identification of one of the Key Stakeholders i.e. investor/shareholder, the Company submits shareholding pattern with the Stock Exchanges within 21 days of every quarter by which top shareholders/investor of the Company are identified.

   Dealers are important stakeholders of our company and are bridge between the company and the farmers which are our end users/customers. Dealers are appointed state wise as per the requirement and in accordance with laid down procedures.

   Further, for procurement of imported P&K Fertilizers, global suppliers are empaneled through request for proposal (RFP)/NIT on government CPP portal.

   Furthermore, for procurement of non-subsidized domestic agro-products, tenders are floated on government CPP/GeM portal for empanelment.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others-please specify)	Purpose and scope as of engagement including key topics and concerns raised during such engagement
Shareholder	No	Shareholder's meetings, Emails, Public Notifications & Website etc.	Annually, Half yearly, Quarterly, Event based	Quarterly financial performance of the Company, Credit Rating, Shareholder's returns & New Projects

Dealers	Yes	Meetings, Emails, Public Notifications, Website & Whatsapp etc.	Continuous engagement through-out the year on daily basis.	To generate awareness among the dealers about the company's growth plan and latest developments in the field of agriculture and fertilizer.
Global Suppliers	No	Meetings, Video Conferencing, Emails, Public Notifications, Website, Whatsapp etc.	Continuous engagement through-out the year	To gain international fertilizer market insights and exchange latest developments in the sector.
Domestic Suppliers	No	Meetings, Emails, Public Notifications, Website & Whatsapp etc.	Continuous engagement through-out the year	To gain Indian agro-input market insights and exchange latest developments in the sector.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

   Board of Directors interacts with dealers during Dealers Conferences where dealers give their feedback and suggestions directly to the Board members which help in continuous improvement in product quality and customer service.

   Nil. (Pertaining to one of the key stakeholders i.e. shareholder/ investor)

   Boards of directors interact with the global/domestic suppliers during annual conferences/ meetings organized by national and international level fertilizer associations (FAI / IFA).

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

   Yes. For instance, inputs received during Dealer's/farmer's orientation programs are incorporated in formulating further orientation programmes.

   With respect to global suppliers, a spot purchasing mechanism has been developed in response to constrained supplies resulting from various global restrictions and uncertain market conditions.

   Nil. (Pertaining to one of the key stakeholders i.e. shareholder/ investor)

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

   The engagement with the dealers is ensured through Dealer Orientation Programmes and Dealer's Conferences. During these programmes, Company educates them about the products, their judicious usages, latest developments. During these programmes company also addresses concerns of the dealers particularly from those of Vulnerable & Marginalized Groups.

   Nil. (Pertaining to global suppliers)

   Nil. (Pertaining to one of the key stakeholders i.e. shareholder/ investor)

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	1277	766	60	1362	681	50
Other than permanent	00	00	00	00	00	00
Total Employees	1277	766	60	1362	681	50
Workers						
Permanent	1234	740	60	1377	688	50
Other than permanent	00	00	00	00	00	00
Total Workers	1234	740	60	1377	688	50

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2024-25 Current Financial Year					FY 2023-24 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	% (B/A)	No. (C)	% (C/A)		No.(E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	1277	0	0	1277	100	1362	0	0	1362	100
Male	1177	0	0	1177	100	1262	0	0	1262	100
Female	100	0	0	100	100	100	0	0	100	100
Other than Permanent	0	0	0	0	0	0	0	0	0	0
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
Workers										
Permanent	1234	0	0	1234	100	1377	0	0	1377	100
Male	1150	0	0	1150	100	1285	0	0	1285	100
Female	84	0	0	84	100	92	0	0	92	100
Other than Permanent	0	0	0	0	0	0	0	0	0	0
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0

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

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	6	5420421	0	0
Key Managerial Personnel	1	2726096	0	0
Employees other than BoD and KMP	1666	1734700	128	1583585
Workers	1486	1314802	103	737331

b) Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Gross wages paid to females as % of total wages	5.67	5.63

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No) **Yes**

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

   CPGRAMS portal also caters to grievances related human rights issues.

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

	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	3	2	-	2	0	-
Discrimination at workplace	Nil			Nil		
Child Labour	Nil			Nil		
Forced Labour/ Involuntary Labour	Nil			Nil		
Wages	Nil			Nil		
Other human rights related issues	Nil			Nil		

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 in the following format:

	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Total Complaints reported under Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	3	2

Complaints on POSH as a % of female employees/ workers	3/184*100=1.63%	2/192*100=1.04%
Complaints on POSH upheld	1	1

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

   Prevention of Sexual Harassment (PoSH) and Whistle Blower Policy.

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

   No

   There is no specific mention of human right requirement in business agreements and contracts (i.e. work orders) issued to concerned parties for execution of jobs. However, a clause regarding compliances of all applicable and governing laws, rules and regulations and bylaws both of the Central and State Government and all other Local Authorities is included in the work order.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	No
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

    No corrective action was required to be taken.

Leadership Indicators

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

   CPGRAM portal caters to human right grievances/ complaints also.

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

   No human rights due-diligence has been conducted.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

   Yes

4. Details on assessment of value chain partners:

The performance of the Value chain partner (concerned party / contractor) is assessed based on pre-defined deliverables and compliances of all applicable and governing laws, rules and regulations and bylaws both of the Central and State Government and all other local authorities (including Sexual Harassment, Discrimination at workplace, Child Labour etc.)

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

Corrective actions are undertaken if required.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
From renewable sources		
Total electricity consumption (A)	**As per attached Annexure - I**	
Total fuel consumption (B)		
Energy consumption through other sources (C)		
Total energy consumption (A+B+C)		
From Non-renewable sources		
Total electricity consumption (D)		
Total fuel consumption (D)		
Energy consumption through other sources (F)		
Total energy consumption (D+E+F)		
Energy intensity per rupee of turnover (Total energy consumption/ Revenue from Operations)		
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/ Revenue from operations adjusted for PPP)		
Energy intensity in terms of physical output		
Energy intensity (optional) – the relevant metric may be selected by the entity		

YES, third party energy audit is conducted once in three years as per Energy Conservation Act.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Yes, five manufacturing Units of NFL have been identified as designated consumers (DCs) under PAT cycle. Under PAT Cycle-1, NFL over-achieved the targets in four out of five plants and was issued energy certificates. These certificates have been surrendered / sold in PAT Cycle-2. NFL has implemented Energy saving projects at a cost of Rs 1000 crore in all its Units and is achieving the energy targets set by GOI. It is mentioned that for ongoing PAT cycle, no notification has been issued for energy reduction in fertilizer sector.

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

Parameter	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Water withdrawal by source (in kilolitres)		
(i) Surface water	**As per attached Annexure - II**	
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)		
Total volume of water consumption (in kiloliters)		
Water intensity per rupee of turnover *(Water consumed / turnover)*		
Water intensity (optional) – the relevant metric may be selected by the entity		

4. Provide the following details related to water discharged:

Parameter	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	-	21555607
- With treatment – please specify level of treatment		

(ii) To Groundwater		N. A.
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater		N. A.
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		N. A.
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		N. A.
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kiloliters)	-	21555607

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

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

All the units of NFL have mechanism for zero liquid discharge. Effluent generated is being treated & used for Horticulture in all the Units. At the Units, where coal is used as fuel in coal fired boilers, treated effluent is used for de-ashing in the coal fired boilers. Quality of the treated effluent is maintained to meet the MINAS Standards and online real time data is uploaded on the CPCB site on regular basis.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
NOx		**Parameters remained within norms of CPCB and being monitored online by CPCB / SPCBs**	
SOx			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – please specify			

NFL has provided all emissions parameters online as per CPCB guideline and all remain within prescribed norms of CPCB.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	*Metric tons of CO_2 equivalent*	NGL : 403853 PNP : 392393 BHT : 462673 VJP : 1653723	NGL : 384443 PNP : 412694 BHT : 360522 VJP :1827238
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	*Metric tons of CO_2 equivalent*	NA	NA
Total Scope 1 and Scope 2 GHG emissions intensity per rupee of turnover (Total scope 1 and scope 2 GHG emissions /revenue from operations)		0.0000147 MT/Rs (Revenue: Rs.19795 Cr)	0.0000126 MT/Rs (Revenue: Rs 23560 Cr)
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total scope 1 and scope 2 GHG emissions /revenue from operations adjusted for PPP)		0.00127 (1USD = Rs 86.62)	0.001 (1 USD = Rs 82.80)
Total Scope 1 and Scope 2 emission intensity in terms of physical output			
Total Scope 1 and Scope 2 emission intensity *(optional)* – the relevant metric may be selected by the entity			

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

No independent evaluation has been carried out.

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

Yes; NFL has undertaken replacement of steam turbine drive of BFW pump with electric motor drive at Panipat Unit with estimated energy saving of 0.04 Million tonnes oil equivalent/MT urea.

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

Parameter	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	16300 MT	15460 MT
E-waste **(B)**	7.487 MT	2.983 MT
Bio-medical waste **(C)**	8.158 MT	1.13 MT
Construction and demolition waste **(D)**	Nil	Nil
Battery waste **(E)**	10.824 MT	9.31 MT
Radioactive waste **(F)**	Not Applicable	
Other Hazardous waste. Please specify, if any **(G)**	158.14 MT	197.20 MT
Other Non-hazardous waste generated **(H)** Please specify, if any (Break-up by composition i.e. by materials relevant to the sector) **(H)**	2640 MT	2170 MT
Total (A+B+C+D+E+F+G+H)	**19124.609 MT**	**17840.623 MT**
Waste intensity per rupee of turnover (Total waste generated / revenue from operations)	0.966 (Revenue = 19794.50 Cr)	
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / revenue from operations adjusted for PPP)	83.64 (1 USD =Rs 86.62)	
Waste intensity in terms of physical output		
Waste Intensity (optional) – the relevant metric may be selected by the entity)	NIL	
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	-	-
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	2640 MT	2170 MT
(iii) Other disposal operations	As per HWM rules	As per HWM rules
Total	**2640 MT**	**2170 MT**

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **No**

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

- **Hazardous wastes generated in our industry are mainly used catalyst, spent oil and resin. As per Hazardous waste management (HWM) rules, authorization has been taken for storage and disposal. Further, HW storage has been clearly marked and all the storage of HW (till disposal) is done as per HWM rules. Total monitoring of HW material is done and same is disposed-off as per timelines for disposal of such waste. Proper record is kept and same is shared with statutory authorities.**
- **Bio-medical waste is disposed-off as per Bio-medical waste management rules or through authorized external agencies.**
- **E-waste is also disposed-off as per E-waste policy.**

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Not Applicable

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
N.A.			

NFL has taken all the required clearance such as for "Consent to Operate" for water & air at all the sites i.e. Bathinda, Panipat, Nangal and Vijaipur.

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/No)	Relevant Web link
Expansion of existing fertilizer Plant for manufacturing of Nano Urea. At plot no. 72 Hadbast 532, Khatoni no. 164, at village- Naya Nangal, district-Roopnagar, Punjab- 140126	EIA notification 2006	02.07.2024	Yes	Environmental clearance accorded	-

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

Sr. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
	All NFL Units are compliant with the applicable law/ regulations/ guidelines.			

Leadership Indicators

1. Water withdrawal, consumption and discharge in area of water stress (In Kiloliters): NA

   For each facility / plant located in area of water stress, provide the following information

   (i) Name of the area : Not Applicable

   (ii) Nature of operations : Not Applicable

   (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Water withdrawal by source (in kilolitres)		
(i) Surface water	**Not Applicable**	
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kiloliters)		
Total volume of water consumption (in kiloliters)		
Water intensity per rupee of turnover *(Water consumed / turnover)*		
Water intensity (optional) – the relevant metric may be selected by the entity		

Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water	Not Applicable	
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kiloliters)		

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

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric (tons of CO_2 equivalent)	Not Applicable	
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity *(optional)* – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **No**

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

   Not Applicable.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	NFL carried out its in-house study based on its existing NOx abatement plant for reduction of NOx emissions in Nitric Acid Plant of 1960s and successfully implemented the same.	No web-link	Reduction of NOx emissions from 600 ppm to below 200 ppm

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

   NFL has well defined Disaster Management Plan in the form of On-Site Emergency Plans. The On-Site Emergency Plans have been prepared by all the 5 Units of NFL individually to take prompt and appropriate action in case Disaster happens. All Units review/evaluate their Emergency Plans on regular basis and Update in every three years. Similarly, Units have off-site disaster Management plan prepared in discussion with district Authorities.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

   There is no adverse impact. All units are complying statutory requirements.

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

   Not applicable

PRINCIPLE 7: Businesses, when engaging in influencing public and regulartory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

   4 (Four)

   b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	The Fertilizers Association of India	National
2	SCOPE	National
3	International Fertilizer Association	International
4	Confederation of Indian Industry	National

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Nil		
Nil		

Leadership Indicators

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

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly/ Others – please specify)	Web Link, if available
1.	Right To Information (RTI)	As per RTI Act	Yes	As per RTI Act.	www.nationalfertilizers.com

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief of project	SIA Notification	Date of Notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Results
Not Applicable					

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

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable						

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

Not Applicable

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

	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Directly sourced from MSMEs/ small producers	62.55%	50.32%
Sourced directly from within the district and neighboring districts	88.49%	91.66%

* Total Procurement of Goods and Services after excluding raw materials, traded products, power, fuel & other.

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost.

Location	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Rural	-	-
Semi-urban	51%	53%
Urban	29%	28%
Metropolitan	20%	19%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Nil	Nil

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

S. No.	State	Aspirational District	Amount Spent (In INR)
1.	Madhya Pradesh	Guna	Rs. 56.86 Lakh
2.	Uttar Pradesh	Chitrakoot & Fatehpur	Rs. 55.57 Lakh
3.	Bihar	Sheikhpura	Rs. 36.65 Lakh
4.	West Bengal	Dakshin Dinajpur	Rs. 16.64 Lakh
5.	Jharkhand	West Singhbhum	Rs. 9.00 Lakh

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

Yes, MSEs Policy order 2012.

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

SC/STs and Women

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

SC/STs (4%) and Women (3%)

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

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

5. Details of corrective actions taken or underway based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Nil		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Training of 200 nos. nurses in 'Finishing Skills in Nursing Excellence' (FINE) Programme by Apollo MedSkills	200 Nos.	The projects are majorly targeted towards the benefit of underprivileged, poor & marginalized section of the Society in rural areas and in urban slums areas.
2.	Enabling Women's Health by promoting Menstrual Hygiene, Nutrition and Breast Cancer Awareness with Screening Access	3600 Nos.	
3.	Running Mobile Digital Health Clinic for preventive screening of the masses for the essential 20+ metabolic vitals	5000 Nos.	
4.	Promotion of Menstrual Hygiene by Free Distribution of Sanitary Pads and Organize Women Health Camp in Raghogarh- Vijaipur of Guna district (M.P.)	3000 Nos.	
5.	Installation of 11 Nos. Manual Sanitary Pads Vending Machine at SC / ST Girls Hostels operated by Tribal Welfare Department, Guna (M.P.)	550 Nos.	
6.	Distribution of Aids & Assistive Devices to Divyangjans of Guna District (M.P.)	250 Nos.	
7.	Distribution of Furniture, Computer, Printer, Electronic Items in Govt. College for Girls, Nurpur Bedi, Dist. Rupnagar (Punjab)	300 Nos.	
8.	Providing Digitally Programmable Hearing Machines/Aids to hearing impaired persons in Andhra Pradesh	150 Nos.	
9.	Vocational Training for Skill & Livelihood in Apparel Sector for underprivileged youth at ATDC Noida	30 Nos.	
10.	Skill Development Training program for Women in Fashion Designing in Delhi	50 Nos.	

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

   A Kisan Call Centre has been set up and its details are widely circulated. The consumer complaints and feedback so received are forwarded to the concerned departments for timely resolution and response. A grievance redressal mechanism is also in place to ensure complaints are resolved effectively.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Nil
Safe and responsible usage	Nil
Recycling and/or safe disposal	Nil

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

	FY 2024-25 Current Financial Year		Remarks	FY 2023-24 Previous Financial Year		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	-	Nil	Nil	-
Advertising	-	-	-	-	-	-
Cyber-security	Nil	Nil	-	Nil	Nil	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other	-	-	-	40	-	-

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

	Number	Reasons for recall
Voluntary recalls	N.A.	N.A.
Forced recalls	N.A.	N.A.

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

   Yes, NFL has cyber security and data privacy policy. Web-link of the policies is
   Cyber Security Policy - https://nfl.co.in/nflportal/manuals/CSP_2023.pdf
   Data Protection Policy - https://nfl.co.in/nflportal/manuals/DPPS_2023.pdf

6. Provide details of any corrective actions taken or underway on issues relating to advertising and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

   Cyber Security Policy Enforced

7. Provide the following information relating to data breaches:
   a) Number of instances of data breaches

      None

   b) Percentage of data breaches involving personally identifiable information of customers

      None

   c) Impact, if any, of the data breaches

      No Impact

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

   Information on products and services of the entity can be accessed by visiting Company's Website www.nationalfertilizers.com.

   Information can be obtained from the company's Kisan Call Center by dialing toll-free number 1800-180-6435, 9:30 am to 5:30 pm on working days (Monday-Friday).

   Apart from this, information can be accessed by visiting company offices located within NFL's marketing territory.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

   The entity is engaged in sale and marketing of agriculture inputs, hence, periodic training is being organized in marketing territory for the channel partners and ultimate consumers i.e. farmers for updating their knowledge on safe and responsible use of products.

   In addition to this, the entity is also engaged in organizing promotional campaigns, participation in Krishi Melas and Agriculture Exhibitions. These exhibitions are organized by Agricultural Universities/State Agriculture Departments where products and services are displayed and related information is given to the consumers.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

   The information regarding any risk of disruption/discontinuation of essential services is provided to concerned central and state government authorities for further communication.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.

Yes. Apart from the mandatory information, other information like usage, dosage, Do's & Don'ts is also being displayed on the packing for judicious use of the products.

Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

The entity conducts various periodical orientation programs with the consumers i.e. farmers to have the comprehensive feedback and necessary steps are being undertaken for the continuous improvement in quality and services.

For and on behalf of the Board of Directors

Registered Office:
Scope Complex, Core-III, 7,
Institutional Area, Lodhi Road,
New Delhi-110003.

Date: 29th August, 2025

(Dr. U. Saravanan)
Chairman & Managing Director
DIN: 07274628

Annexure-I

(in Giga Jules)

Parameter	Current Year (FY 2024-25)					Previous Year (FY 2023-24)				
	Nangal	Panipat	Bathinda	Vijaipur-I	Vijaipur-II	Nangal	Panipat	Bathinda	Vijaipur-I	Vijaipur-II
From renewable sources										
Total electricity consumption(A)										
Total fuel consumed (B)										
Energy consumed through other sources (C)	**NIL**					**NIL**				
Total energy consumed from renewable sources (A+B+C)										
From Non-renewable sources										
Total electricity consumption (D)	132242	64130	537872	812268	787336	117687	36894	490716	891029	720841
Total fuel consumption (E)	6567633	6054174	4804902	10083624	12493448	6327898	1491173	4056372	10478497	12338035
Energy consumption through other sources (F)	8097058	7847415	7773865	12974346	15399971	8037901	1913495	6754704	13757602	14673332
Total energy consumed from non-renewable sources (D+E+F)	14796933	13965719	13116639	23870238	28680755	14483486	3441562	11301792	25127128	27732208
Total NFL Energy Consumption	94430283					82086177				
Energy intensity per rupee of turnover (Total energy consumed GJ /revenue from operations in rupees)	0.000477 (Revenue = Rs. 19794.50 Cr)					0.000346 (Revenue = Rs 23560.31 Cr)				
Energy intensity per rupee of turnover adjusted for purchase parity price (PPP) (Total energy consumed GJ/revenue from operations adjusted for PPP)	0.0413 (1 USD = Rs 86.62)					0.0286 (1 USD = Rs. 82.801)				
Energy Intensity in terms of physical output	25.43					-				
Energy Intensity (optional) – the relevant metric may be selected by the entity	-					-				

Annexure-II

Parameter	Current Year (FY 2024-25)				Previous Year (FY 2023-24)			
	Nangal	Panipat	Bathinda	Vijaipur-I+II	Nangal	Panipat	Bathinda	Vijaipur-I+II
Water withdrawal by source (in kilolitres)								
(i) Surface water	41698336			7789362	27597050			8834229
(ii) Groundwater	0.00				NIL	NIL	NIL	
(iii) Third party water								
(iv) Seawater / desalinated water								
(v) Others (Canal)		7741502	6452545			7794714	6216939	
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	41698336	7741502	6452545	7789362	27597050	7794714	6216939	8834229
Total volume of water consumption (in kilolitres)	6581570	7741502	6452545	7602056	6041443	7794714	6216939	8265394
Water intensity per rupee of turnover (Water consumed KL/revenue)	0.000143 (Revenue = 19794.50 Cr)				0.000154 (Revenue = Rs 23560.31 Cr)			
Water intensity per rupee of turnover adjusted for PPP (Total water consumption / revenue adjusted for PPP)	0.0124 (1USD = Rs 86.62)				0.0127 (1 USD = Rs. 82.801)			
Water intensity in terms of physical output	7.64							
Water intensity (optional) the relevant metric may be selected by the entity)	-							

Annexure-3

Corporate Governance Report (2024-25)

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015] as amended from time to time and Department of Public Enterprises Guidelines (DPE Guidelines) on Corporate Governance, the Report containing the details of Corporate Governance systems and processes at National Fertilizers Limited (NFL) is as follows:-

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate governance is a set of principles, processes and systems to be followed by the Company for enhancement of shareholders' value, keeping in view the interests of other stakeholders. The integrity, transparency and compliance with laws in all dealings with government, customers, suppliers, employees and other stakeholders are the objectives of good Corporate Governance.

Over the years, governance processes and systems have been strengthened at NFL. In addition to complying with the statutory requirements, effective governance systems and practices towards improving transparency, disclosures, internal controls and promotion of ethics have been emphasized.

Company believes that good governance is a continuing exercise and reiterates its commitment to pursue highest standards in that regard. Company continuously reviews its policies and practices of Corporate Governance with a clear goal not merely to comply with the statutory requirements in letter and spirit, but also constantly endeavours to implement the best practices of Corporate Governance.

Company's philosophy on Corporate Governance envisages attainment of the highest levels of transparency, accountability and equity in all facets of its operations and in all its interactions with its stakeholders. Company is committed to achieve and maintain the highest standards in this regard.

Company is committed to the best governance practices that create long term sustainable shareholder value. Governance framework is based on the following principles:-

- Compliance of laws, rules and regulations in letter and spirit in the interest of stakeholders.
- A sound system of internal control to mitigate risks associated with achievement of business objectives, in short, medium and long terms.
- Mitigation/ Minimization of risks through risk management.
- Adherence to ethical standards for effective management and distribution of wealth and discharge of social responsibility for sustainable development of stakeholders.
- Clearly defined standards against which performance of responsibilities are measured.
- Accuracy and transparency in disclosures regarding operations, performance, risk and financial status.
- Timely and balanced disclosure of all material information to all the Stakeholders and clear delineation of shareholders' rights.
- Constitution of Board of Directors having expertise in different fields.
- Timely flow of information to the Board and its Committees.
- Accountability.

Over the years, Company has strengthened governance practices. These practices define the way business is conducted and value is generated. Stakeholder's interests are taken into account before making business decisions.

Company has put in place an internal governance structure with defined roles and responsibilities of every constituent of the system. The Board has established various Committees to discharge its responsibilities in an effective and transparent manner. The Chairman & Managing Director (C&MD) is responsible for overall implementation of the Company's policies. In the functioning of the Company, C&MD is assisted by Whole-time Directors and senior level executives.

Company adheres to ethical standards to ensure integrity, transparency, independence and accountability in dealing with stakeholders of the Company. Company has adopted various codes and policies to carry out its business in an ethical and transparent manner. Some of those codes and policies are mentioned herein below and the same can be accessed by clicking https://www.nationalfertilizers.com/archive-section/policies-and-codes/ :-

- Code of Conduct for Board Members and Senior Management Personnel
- The “Code of Conduct for Regulating & Reporting Trading by Designated Persons & their Immediate Relatives” for National Fertilizers Limited
- Corporate Social Responsibility (CSR) Policy
- Health, Safety and Environment Policy
- Risk Management Policy
- Whistle Blower Policy
- Integrity Pact
- Training Policy for the Board of Directors and Key Managerial Personnel
- Terms and Conditions of Appointment of the Independent Directors
- Policy on Related Party Transactions
- Archival Policy
- Corporate Policy on Preservation of Documents
- Policy for Material Subsidiary
- Policy on Board Diversity
- Business Responsibility Policy
- Policy for Materiality for disclosure of events to the Stock Exchanges
- Dividend Distribution Policy
- Anti-Fraud Policy

Further, the Company has ensured compliance with the objectives of 'the principles of Corporate Governance' stated under the SEBI (LODR) Regulations, 2015, as brought out below:

1.1. The Rights of Shareholders

The Company has taken all necessary steps to ensure the Rights of Shareholders and seek approval of the shareholders as and when required as per the provisions of the Companies Act, 2013 or other applicable legislations.

The Company issues press releases regarding the important events and the same has been submitted to Stock Exchanges for information of the valued investors.

The Annual Report and the notice of the Annual General Meeting (AGM) explain exhaustively the procedures governing the AGM, voting procedures etc. Sufficient opportunity is provided to the shareholders who attend the meeting to raise queries to the Board of Directors and queries pertaining to accounts, companies future prospects etc. are clarified at the meeting.

The Company has a Board level Stakeholder's Relationship Committee which meets periodically to redress the grievances of shareholders. The shareholders have the facility of directly approaching the Company as well as the Registrar and Share Transfer Agent (RTA) to address their queries/ grievances which are generally addressed within stipulated time frame.

Interests of the minority shareholders are protected and there was no instance of abusive action by controlling shareholders.

1.2 Timely Information

The Company sends notices through email to all shareholders who have provided their e-mail id with the Company and/ or depository participants for providing timely information.

The Annual Report of the Company is compiled exhaustively to provide every conceivable information on the functioning of the Company.

The website of the Company is updated continuously to keep the stakeholders informed of various developments including Notice of general meeting, Annual Reports, quarterly results, dividend information etc.

1.3 Equitable Treatment

All the equity shareholders are treated equitably, irrespective of their location or quantum of their shareholding.

For effective participation of the Shareholders, Company dispatches the notice for General Meeting to Shareholders well in advance.

Further, the remote e-voting facility is provided to all Shareholders. Simple and inexpensive procedures are adopted to cast their vote electronically as well as e-voting at the AGM or through poll, as the case may be.

In line with the SEBI (Prohibition of Insider Trading) Regulations, 2015, and amendments thereto, the Company has put in place “The Code of Conduct for Regulating & Reporting Trading by Designated Persons & their Immediate Relatives” for National Fertilizers Limited.

The code is applicable to all the Insiders of the Company, which also ensures to prevent unauthorized dealing by them in shares of the Company. The code is also available at the website of the Company i.e. www.nationalfertilizers.com.

1.4. Role of Stakeholders in Corporate Governance

The Business Responsibility and Sustainability Report (BRSR) of the Company brings out in detail the steps being taken by the Company in this regard. The Company, being a listed Central Public Sector Enterprise, conducts and governs itself with Ethics, Transparency and Accountability as per the law of land and ensures compliance of all the policies, rules, regulations, guidelines etc. mandated by the Government of India.

Effective redressal mechanism is available to every stakeholder of the Company, should there be any infringement of rights.

For effective participation in Corporate Governance, the Company disseminates various announcements from time to time in newspapers, on Company's website and other media to the stakeholders concerned.

The Company is also covered under the provisions of Right to Information Act, 2005 and it provides the requested information to the citizens of India as is required to be provided under the said Act.

The Company has implemented a Whistle Blower Mechanism which gives opportunity to its employees to raise any concern of ethical or illegal or immoral activity and instances of leak of Unpublished Price Sensitive Information occurring in the organization to the Audit Committee.

The Company has a Vigilance Department which is headed by Chief Vigilance Officer on deputation from the Government of India.

1.5 Disclosure and Transparency

The Company ensures timely and complete dissemination of information on all matters which require to be made public. The website of the Company and the Annual Report of the Company contain exhaustive information regarding every aspect of the functioning, financial health, ownership and governance practices of the Company.

All disclosures by Company are made in line with the formats prescribed by the concerned regulatory authority in respect of accounting, financial and non-financial matters.

The Company disseminates information through press releases, official website and/or through the Stock Exchanges and access to all these modes are free for all users.

The Company maintains records of the proceedings of all meetings (Board/Committees/General Meeting) as per the Secretarial Standards prescribed under the Companies Act, 2013. The minutes are being maintained explicitly recording dissenting opinions, if any.

Pursuant to the DPE Guidelines on Corporate Governance, quarterly compliance report is being submitted to the Ministry of Chemicals and Fertilizers through DPE, within the stipulated time.

1.6 Responsibilities of the Board of Directors

The Company has an exhaustive Delegation of Power (DoP) and other manuals like Purchase Manual, Works manual, Marketing Manual etc. as duly approved by the Board, which spell out the processes and defines the level (Executive Committee / Functional Director / Key Executive and below) at which any decision is to be made and are reviewed from time to time to ensure that they are updated and meet the needs of the organization.

The Company has adequate Board Level Committees which deliberate upon various important matters and advise the Board on the course of action to be taken.

Appointment of directors on the Board of the Company and the remuneration of functional directors are decided by the Government of India. The Board members as well as Key Managerial Personnel are required to declare their interest in all contracts and their shareholdings etc. which is noted by the Board.

The Company ensures that related party transactions are brought to the notice / approval of the Audit Committee / Board. Board evaluation is within the domain of the Government of India.

The Agenda Items, circulated in advance to the members of the Board, are exhaustive in nature and detailed presentations are made during the course of discussion. The Independent Directors are provided with every conceivable information to ensure that the interests of the minority shareholders are protected. The Company has a Board approved training policy for Directors.

Every proposal is examined and discussed in detail before a decision is taken. The Committees of the Board deliberate upon major proposals before being recommended to the Board.

The Board regularly monitors the Action Taken Report on its decisions. Risks areas are outlined and mitigation processes are put in place.

The terms of reference, quorum, periodicity of meeting etc. are clearly defined for each of Board Committees, and approved by the Board.

The Board members disclose from time to time all the required information to the Board. The Board performs key functions by fulfilling the responsibilities for achieving economy, efficiency and effectiveness for Company vis-à-vis shareholders' value creation.

2. BOARD OF DIRECTORS

The Board of Directors of NFL is entrusted with the responsibility of the affairs of the Company. The Board is also responsible for the ultimate superintendence and control of the Company. The Board protects shareholders' interests, establishes policies for management, oversights the corporation and makes decisions about important issues the company faces.

2.1 Size of the Board

The Company is a Government Company within the meaning of Section 2(45) of the Companies Act, 2013 as the President of India holds 74.71% of the Paid-Up Share Capital of the Company. Directors include Chairman & Managing Director, Whole-time Functional Directors, Government Nominee Directors (Promoters' Directors) and Independent Directors. As per Articles of Association of the Company, the power to appoint Chairman & Managing Director and Whole-time Functional Directors vests with the President of India. Other Directors are also appointed on recommendations of the Government of India. Further, in terms of the Articles of Association, the number of Directors shall be not less than three and not more than twelve.

2.2 Composition of the Board

The composition of Board of Directors of the Company is very balanced and diverse. The Board of Directors as on 31st March, 2025 comprised of Seven Directors i.e. Four Whole-time Functional Directors i.e. Chairman & Managing Director, Director (Finance), Director (Technical) and Director (Marketing), Two Government of India Nominee Directors and One Independent Director. Brief profile of the Directors is set-out at **Annexure-16** of the Annual Report.

The SEBI (LODR) Regulations, 2015 stipulates that where the Chairman of the Board is a Non-Executive Director, at least one third of the Board should comprise of Independent Directors and in case Chairman is

an Executive Director, at least half of the Board should comprise of Independent Directors. In the absence of adequate number of Independent Directors, the composition of Board was not in conformity with SEBI (LODR) Regulations, 2015 from 12.11.2024 to 31.03.2025. During the remaining part of the year, the composition of the Board as detailed below is in conformity with SEBI (LODR) Regulations, 2015 and Companies Act, 2013:-

S.No.	Period		Composition of the Board		
	From	To	Total Directors	Independent Directors	Other Directors
01.	01.04.2024	11.11.2024	10	5	5
02.	12.11.2024	29.11.2024	7	2	5
03.	30.11.2024	10.03.2025	6	1	5
04.	11.03.2025	31.03.2025	7	1	6

As required under Regulation 46(2)(b) of the Listing Regulations, the terms and conditions of appointment of Independent Directors are available on the Company's website: www.nationalfertilizers.com.

As required under Companies Act, 2013 and SEBI (LODR) Regulations, 2015, none of the Directors is a member of more than Ten Committees of the Board or Chairman of more than Five Committees in which he/she is a member.

During the year under review, Independent Directors did not have any material or other pecuniary relationship or transactions with the Company, its promoters or management apart from receiving sitting fees, which may affect independence of judgment of the Directors.

The Company has received declaration from all the Independent Directors of the company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

Details regarding tenure, number of other Directorships/Committee Memberships viz. Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee, held by Directors as on 31.03.2025 are tabulated below:-

S. No.	Director (S/Shri)	Category	Tenure		Number of Directorships in other Public Companies		Number of Committees positions held in other Public Companies	
			From	To	Chairman	Directorship	Chairman	Member
01.	Dr. U. Saravanan	C&MD	16.06.2023	Continuing	2	1	-	-
02.	Hira Nand	ED	17.06.2022	Continuing	-	3	1	-
03.	Rajan Kanwar^	ED	21.10.2022	Continuing	-	-	-	-
04.	Mahesh Chander Gupta^^	ED	11.03.2025	Continuing	-	-	-	-
05.	Neeraja Adidam*	NED-Govt. Nominee	14.10.2021	07.11.2024	-	-	-	-
06.	Bharat Bhushan*	NED-Govt. Nominee	07.11.2024	Continuing	-	-	-	-
07	Dr. Prathibha A.	NED- Govt. Nominee	03.08.2022	Continuing	-	-	-	-

S. No.	Director (S/Shri)	Category	Tenure		Number of Directorships in other Public Companies		Number of Committees positions held in other Public Companies	
			From	To	Chairman	Directorship	Chairman	Member
08.	Dr. Poonam Sharma**	NEID	12.11.2021	11.11.2024	-	-	-	-
09.	Ritesh Tiwari**	NEID	12.11.2021	11.11.2024	-	-	-	-
10.	Kashi Ram Godara**	NEID	12.11.2021	11.11.2024	-	-	-	-
11.	Dr. Venkata Sarvarayudu Thota**	NEID	30.11.2021	29.11.2024	-	-	-	-
12.	Jyoti Bhramar Tubid#	NEID	21.04.2022	20.04.2025	-	-	-	-
			05.05.2025	Continuing				

Table Key: C&MD- Chairman & Managing Director, ED– Executive Director, NED–Non-Executive Director, NEID–Non- Executive Independent Director.

^ Shri Rajan Kanwar, Director (Technical) had been assigned additional charge of Director (Marketing) w.e.f. 11.07.2024 in terms of DoF order dated 11.07.2024. He held the additional charge of Director (Marketing) till 11.03.2025 i.e. the date of appointment of Shri Mahesh Chander Gupta as Director (Marketing).

^^ Shri Mahesh Chander Gupta was appointed as Director (Marketing) w.e.f. 11.03.2025 in terms of DoF Order No. 82/1/2021-HR-PSU (Part-1) (e-36198) dated 07.03.2025 with effect from the date of his assumption of charge of the post till the date of his superannuation, i.e., 30th September, 2027, or until further orders, whichever is earlier.

* Shri Bharat Bhushan was appointed as an Additional Director (part time Government Nominee Director) w.e.f. 07.11.2024 vice Smt. Neeraja Adidam, in terms of DoF Order No. 95/1/2019-HR-PSU dated 01st November, 2024, until further orders.

** Dr. Poonam Sharma, Shri Ritesh Tiwari and Shri Kashiram Godara have ceased to be Non-Executive Independent Directors on completion of their tenure w.e.f. 12.11.2024. Dr. Venkata Sarvarayudu Thota has also ceased to be Non-Executive Independent Director on completion of his tenure w.e.f. 30.11.2024.

The first term of Shri Jyoti Bhramar Tubid as Non-Executive Independent Director was completed on 20.04.2025. He was further appointed as Non-Executive Independent Director for a period of one year w.e.f. 05.05.2025 in terms of DoF Letter No. 95/01/2025-HR-PSU (e-38792) dated 5th May, 2025.

In addition to the above, Shri Jyoti Bhramar Tubid ceased to be Non-Executive Independent Director on completion of his tenure w.e.f. 21.04.2025.

Shri Rajan Kanwar ceased to be Director (Technical) w.e.f. 01.05.2025 on attaining the age of superannuation on 30.04.2025.

Prof. Rabi Ranjan Sen and Shri Jyoti Bhramar Tubid were appointed as Additional Directors (as Non-Executive Independent Directors) w.e.f. 05.05.2025 in terms of DoF Letter No. 95/01/2025-HR-PSU (e-38792) dated 5th May, 2025 for a period of one year, with effect from the date of notification of appointment, or until further orders, whichever is earlier.

Ms. Pinky Pradhan was appointed as an Additional Director (as Non-Executive Independent Director) w.e.f. 23.05.2025 in terms of DoF Letter No. 95/01/2025-HR-PSU (e-38792) dated 22nd May, 2025 for a period of three years, with effect from the date of notification of appointment, or until further orders, whichever is earlier.

Ms. Ritu Goswami, Director (Technical), Rashtriya Chemicals & Fertilizers Limited (RCFL), had been assigned Additional Charge of Director (Technical) on the Board of the Company w.e.f. 22.07.2025 in terms of DoF letter No. 82/1/2017-HR-PSU (Part-1) (e-31527) dated 18th July, 2025 for a period of six months or till assumption of charge of the post by the regular incumbent, or until further orders, whichever is earliest.

2.3 Tenure of Directors

The age limit of retirement of Chairman & Managing Director and other Whole-Time Functional Directors is Sixty years. The Chairman and Managing Director and other Whole-time Functional Directors are appointed for a period of maximum five years from the date of taking charge or till the date of superannuation or till further instructions by the Government of India, whichever event occurs earliest and in accordance with the provisions of Companies Act, 2013. The appointment may, however, be terminated even during this period by either side on three months' notice or on payment of three months' salary in lieu thereof. Government Nominee Directors representing the Department of Fertilizers (DoF), Government of India, retire from the Board on ceasing to be officials of Government of India. Independent Directors are appointed on the recommendations of the Government of India usually for tenure of one year or three years as fixed by the DoF, Government of India.

2.4 Independent Directors

The Independent Directors play a vital role in the deliberations at the Board and Committee meetings. They help with their wide-ranging experience in the field of Management, Governance, Finance, Audit etc. The Independent Directors bring an independent judgment having a bearing on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct etc.

The Independent Directors meet the criteria of independence as defined under Section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations and provides an annual confirmation under Regulation 25(8) that they meet such criteria. Based on these declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of Independence and they are Independent of the management.

During the period under review, no Independent Director has resigned before the expiry of the tenure.

During the year, Dr. Poonam Sharma, Shri Ritesh Tiwari, Shri Kashiram Godara and Dr. Venkata Sarvarayudu Thota have ceased to be Non-Executive Independent Directors on completion of their tenure w.e.f. 12.11.2024, 12.11.2024, 12.11.2024 and 30.11.2024 respectively.

Further, Shri Jyoti Bhramar Tubid ceased to be Non-Executive Independent Director on completion of his tenure w.e.f. 21.04.2025.

Prof. Rabi Ranjan Sen and Shri Jyoti Bhramar Tubid were appointed as Additional Directors (as Non-Executive Independent Directors) w.e.f. 05.05.2025 in terms of DoF Letter No. 95/01/2025-HR-PSU (e-38792) dated 5th May, 2025 for a period of one year, with effect from the date of notification of appointment, or until further orders, whichever is earlier.

Ms. Pinky Pradhan was appointed as an Additional Director (as Non-Executive Independent Director) w.e.f. 23.05.2025 in terms of DoF Letter No. 95/01/2025-HR-PSU (e-38792) dated 22nd May, 2025 for a period of three years, with effect from the date of notification of appointment, or until further orders, whichever is earlier.

2.5 Board Meetings, Agenda & Minutes

The Board members are expected to rigorously prepare for, attend and participate in Board and applicable committee meetings. The Board Meeting forms an essential part of how a company operates. They are equally crucial for the survival as well as the growth of the business. The strategy of the company, on which the whole organization works, is decided by the board members in these meetings.

The Company holds at least four Board meetings of its Board of Directors every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. Apart from the four scheduled Board meetings, additional Board meetings are also convened to address the specific requirements.

All the departments in the Company communicate to the Company Secretary well in advance with regard to matters requiring approval of the Board. Agendas are generally circulated to the Board well in advance before the meeting. All material information is incorporated in the Agenda to facilitate meaningful and focused discussions at the meeting.

The Company Secretary while preparing the Agenda and Minutes of the Board Meeting ensures adherence to the provisions of the Companies Act, 2013 and Secretarial Standards. The Board also takes note of the minutes of the meetings of the various Committees of the Board duly approved by their respective Chairperson of the Committee.

Important decisions taken at the Board/Committee Meetings are communicated promptly to the concerned departments of the Company. Action Taken Report on decisions / minutes of the previous meeting(s) is placed at the succeeding meeting of the Board/Committee.

2.6 Board Meetings held

During the year, Board met Eight (8) times as detailed below:-

S.No.	Meeting No.	Date of Meetings
01.	477	02.05.2024
02.	478	30.05.2024
03.	479	05.07.2024
04.	480	14.08.2024
05.	481	25.10.2024
06 .	482	11.11.2024
07 .	483	10.02.2025
08 .	484	19.02.2025

The minimum and maximum interval between any two Board Meetings was 08 days and 90 days respectively.

2.7 Attendance at the Board Meetings and Annual General Meeting

Details of attendance of the Directors at the Board Meetings and at the last Annual General Meeting held on 27th September, 2024 are as follows:

S.No.	Name of the Director (S/Shri)	Category	Board Meetings held during 2024-25 and Attendance thereat		Attendance at last Annual General Meeting
			Held	Attended	
01.	Dr. U. Saravanan	ED & C&MD	8	8	Present
02.	Hira Nand	ED	8	8	Present
03.	Rajan Kanwar^	ED	8	8	Present
04	Mahesh Chander Gupta^^	ED	-	-	N.A.
05.	Neeraja Adidam*	NED-Govt. Nominee	5	2	Not Present
06.	Bharat Bhushan*	NED-Govt. Nominee	3	2	N.A.
07.	Dr. Prathibha A.	NED-Govt. Nominee	8	4	Present
08.	Dr. Poonam Sharma**	NEID	6	6	Present
09.	Ritesh Tiwari**	NEID	6	6	Present
10.	Kashi Ram Godara**	NEID	6	6	Present
11.	Dr. Venkata Sarvarayudu Thota**	NEID	6	6	Present
12.	Jyoti Bhramar Tubid#	NEID	8	4	Present

Table Key: C&MD – Chairman & Managing Director, ED – Executive Director, NED – Non-Executive Director, NEID – Non-Executive Independent Director.

^ Shri Rajan Kanwar, ceased to be Director (Technical) w.e.f. 01.05.2025 on attaining the age of superannuation on 30.04.2025.

^^ Shri Mahesh Chander Gupta was appointed on the Board of NFL as Director (Marketing) w.e.f. 11.03.2025 in terms of DoF Order No. 82/1/2021-HR-PSU (Part-1) (e-36198) dated 07.03.2025.

* Shri Bharat Bhushan was appointed as an Additional Director (part time Government Nominee Director) w.e.f. 07.11.2024 vice Smt. Neeraja Adidam, in terms of DoF Order No. 95/1/2019-HR-PSU dated 01st November, 2024, until further orders.

** Dr. Poonam Sharma, Shri Ritesh Tiwari, Shri Kashiram Godara and Dr. Venkata Sarvarayudu Thota have ceased to be Non-Executive Independent Directors due to completion of their tenure w.e.f. 12.11.2024, 12.11.2024, 12.11.2024 and 30.11.2024 respectively.

Shri Jyoti Bhramar Tubid ceased to be Non-Executive Independent Director on completion of his tenure w.e.f. 21.04.2025 and was appointed as Additional Director (as Non Executive Independent Director) w.e.f. 05.05.2025 in terms of DoF Letter No. 95/01/2025-HR-PSU (e-38792) dated 5th May, 2025 for a period of one year, with effect from the date of notification of appointment, or until further orders, whichever is earlier.

2.8 Information placed before the Board of Directors, inter-alia includes

The Board has complete access to any information within the Company. The information regularly provided to the Board includes:

- Annual operating plans and budgets and any updates;
- Capital budgets and any updates;
- Quarterly Financial Results of the Company;

- Annual Financial Statements including Consolidated Financial Statements, Management Discussion & Analysis, Directors' Report etc.;
- Minutes of the Meetings of the Audit Committee and other Committees of the Board;
- The information on recruitment and remuneration of senior executives just below the Board level, including appointment or removal of Chief Financial Officer and the Company Secretary;
- Major capital investments, formation of Joint Ventures, R&D project or technical collaboration agreement;
- Significant labour problems and their proposed solutions. Any significant development in the areas of Human Resource/Industrial Relations like signing of wage agreement, Incentive Schemes, Medical facilities, implementation of Voluntary Retirement Scheme etc.;
- Disclosure of Interest by Directors about Directorships and Committee positions occupied by them in other companies;
- Report on compliance of various laws and Information relating to major legal disputes;
- Short term Investment of surplus funds;
- Status of Borrowings;
- Any contract(s) in which Director(s) is/are deemed to be interested;
- Award of large contracts;
- Report on performance of various units/functions;
- Review of risk factors including Foreign Exchange transactions;
- Other materially important information;
- Show cause, demand, prosecution notices and penalty notices, which are materially important;
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
- Any material default in financial obligations to and by the company, or substantial non-payment for goods sold by the company;
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the company or taken an adverse view regarding another enterprise that can have negative implications on the company;
- Transactions involving substantial payment towards goodwill, brand equity or intellectual property;
- Sale of material nature, of investments, satisfactory assets, which is not in normal course of business;
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material;
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non- payment of dividend, delay in share transfer, etc.;
- Review of Whistle Blower Policy of the Company;
- Declaration of independence by Independent Director;
- Quarterly Status of Investor Complaints;
- Quarterly Report Compliance with Corporate Governance norms;
- Review of Corporate Social Responsibility (CSR) Policy of the Company;
- Review of Health, Safety and Environment Policy;
- Action taken report on matters desired by the board;
- Changes in significant accounting policies and practices and reason for the same;
- Any other information required to be presented to the Board.

2.9 Separate Meeting of Independent Directors

As per Companies Act, 2013 and SEBI (LODR) Regulations, 2015, Independent Directors are required to meet at least once in a year without presence of other Directors. The scope of Independent Directors meeting inter-alia includes:

1. Evaluation of the performance of Non-Independent Directors and the Board of Directors as a Whole;
2. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
3. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties;
4. Scrutinizing the performance of management in meeting agreed goals and objectives and monitor the reporting of performance.

During the year under review, one meeting of Independent Directors was held on 17.10.2024 wherein Dr. Poonam Sharma chaired the meeting and the same was attended by three other Independent Directors (Shri Ritesh Tiwari, Shri Kashi Ram Godara and Dr. Venkata Sarvarayudu Thota).

2.10 Disclosure of relationships between Directors inter-se

No relationships between Directors inter-se have been reported.

2.11 Number of shares and convertible instruments held by Non-Executive Directors

No shares/convertible instruments issued by the Company are held by Non-Executive Directors.

2.12 Web link details of familiarization programs imparted to Independent Directors

As per Company's Directors' Training Policy, on their joining, the Directors are given presentation on the overview of the company with the object to familiarize them with the Company's business and other activities. To provide an overview of our operations and familiarize the Independent Director on matters related to our values and commitments, they are introduced to our organizations structure, our services, constitutions, board procedures, our major risks and risk management and strategy etc. In terms of Regulation 25(7) of SEBI (LODR) Regulations, 2015, familiarization programs are also organized. Further, in terms of Regulation 46 of SEBI (LODR) Regulations, 2015, the details of the training program are available on the website www.nationalfertilizers.com.

Further, Directors were kept apprised of latest developments w.r.t. the Companies Act, 2013 and other corporate laws and SEBI requirements.

2.13 Policy on Board Diversity

Company has devised a Policy on Diversity of Board of Directors which is available at Company's website www.nationalfertilizers.com.

2.14 Performance evaluation of Directors

As per provisions of Section 134(3)(p) of the Companies Act, 2013, a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors should form part of the Board's Report of every listed Company.

Regulation 17(10) & 25(4) of SEBI (LODR) Regulations, 2015 and the Code for Independent Directors pursuant to Section 149(8) of the Companies Act, 2013 requires the performance evaluation of Independent Directors to decide their continuance or otherwise. However, the MCA vide its notification No.GSR463(E) dated 5th June, 2015 notified exemptions applicable to Government Companies from the provisions of the Companies Act, 2013 which inter-alia provides that Sub-Sections (2), (3) & (4) of Section 178 regarding appointment, performance evaluation and remuneration shall not apply to Directors of the Government Companies.

MCA vide notification dated 5th June, 2015 has also notified that in case of government companies, Section 134(3)(p) shall not apply in case the directors are evaluated by the Ministry or department of the Central Government which is administratively in charge of the Company.

The appointment of Chairperson, Functional Directors, Part-time Official Directors as well as Part-time Non-Official Directors (Independent Directors) on the Board of NFL is made by Government of India (GOI). Further, terms & conditions of appointment as well as tenure of all directors are also decided by GOI and there is a well laid down procedure for evaluation of performance of Chairperson and Functional Directors by Administrative Ministry.

Performance evaluations to which the Government Companies and their Directors are subjected to are as follows:

(i) All the Functional Directors (through C&MD) and C&MD are accountable to the Board and the Administrative Ministry.

(ii) For monitoring the performance of the Company, a performance Memorandum of Understanding (MoU) is entered between the Company through C&MD of the respective Company and the Administrative Ministry through Secretary of the Ministry. This MoU is negotiated by Department of Public Enterprises, NITI Aayog, Ministry of Statistics & Programme Implementation and the Administrative Ministry officials. Targets are set for various MoU parameters. The performance of the Company vis-à-vis MoU indicates the overall performance of the Board and individual Directors. Performance of the Company is reviewed on quarterly basis through Quarterly Review Meetings by the Administrative Ministry, where detailed deliberations are held with respect to various administrative parameters.

(iii) Performance of the Company is also evaluated by Department of Public Enterprises annually by assigning performance ratings to the Company on the MoU parameters. In evaluating the performance of the General Managers, Executive Directors, Functional Directors and C&MD, major weightage is given to MoU rating. Variable pay of functional Directors is regulated on performance of the Company w.r.t. MoU parameters.

(iv) Annual performance appraisal of the C&MD and Functional Directors is reviewed by the Secretary of the Administrative Ministry and accepted by concerned Minister.

(v) Tenure of Functional Directors and C&MD are fixed by Government of India. Their tenures are further extendable on performance review by the Administrative Ministry.

(vi) The assessment of Performance of Independent Directors is done annually by Department of Public Enterprises, Ministry of Finance, Government of India. The assessment / evaluation of performance of Independent Directors is to be undertaken on the basis of their attendance, contributions during the assessment period, suggestions for improving the performance of concerned CPSE and assessment of their professional and ethical conduct and contributions.

(vii) All the Government Companies are also subject to regular review by various Parliamentary Committees on different subjects.

In view of the above and performance evaluation mechanism already in place, the performance evaluation of the Chairperson, Functional Directors, Part-time Official Directors and Part-time Non-Official Directors was not carried out.

2.15 Skills, expertise and competencies of the Board of Directors

The information pertaining to core skill/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board is annexed to the Corporate Governance Report.

3. COMMITTEES OF THE BOARD

The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness to ensure that stakeholders' long-term interests are served. Committees appointed by the Board focus on specific areas and take informed decisions within the framework of delegated authority and make specific recommendations to the Board on matters in their areas or purview. All decisions and recommendations of the committees are placed before the Board for information or for approval. The Board has constituted the following mandatory committees of the Board of Directors:

(i) Audit Committee;

(ii) Stakeholders Relationship Committee;

(iii) Nomination and Remuneration Committee;

(iv) Corporate Social Responsibility & Sustainable Development Committee; and

(v) Risk Management Committee;

Terms of reference and other details of Board Committees are given as under:

3.1 Audit Committee

The Company endeavours that the constitution, quorum, scope etc. of the Audit Committee is in line with Section 177 of the Companies Act, 2013, Regulation 18 of SEBI(LODR) Regulations, 2015 and guidelines on Corporate Governance as issued by Department of Public Enterprises. During the year under review, the Composition of Audit Committee was not proper from 30.11.2024 to 04.05.2025 due to non-appointment of requisite number of Independent Directors by the Department of Fertilizers, Government of India. The scope of Audit Committee inter-alia includes the following:-

1. oversight of the Company (listed entity's) financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2. recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity*;

   *[In case of Government Companies, recommendation for appointment and the terms of appointment of Statutory Auditors (including Casual Vacancy) shall be made by CAG and not by the Shareholders of the Company.]

3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

a) matters required to be included in the director's responsibility statement to be included in the Board's Report in terms of clause (c) of Sub-Section (3) of Section 134 of the Companies Act, 2013;

b) changes, if any, in accounting policies and practices and reasons for the same;

c) major accounting entries involving estimates based on the exercise of judgment by management;

d) significant adjustments made in the financial statements arising out of audit findings;

e) compliance with listing and other legal requirements relating to financial statements;

f) disclosure of any related party transactions;

g) modified opinion(s) in the draft audit report;

5. reviewing, with the management, the quarterly financial statements before submission to the board for approval;

6. 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 utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;

7. reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;

8. approval or any subsequent modification of transactions of the listed entity with related parties;

9. scrutiny of inter-corporate loans and investments;

10. valuation of undertakings or assets of the listed entity, wherever it is necessary;

11. evaluation of internal financial controls and risk management systems;

12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. discussion with internal auditors of any significant findings and follow up thereon;

15. 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;

16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. 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;

18. to review the functioning of the whistle blower mechanism;

19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

20. Carrying out any other function as is mentioned in the terms of reference of the audit committee;

21. 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 existing as on the date of coming into force of this provision;

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

23. To review the follow up action on the audit observations of the C&AG audit;

24. To review the follow up action taken on the recommendations of Committee on Public Undertakings (COPU) of the Parliament.

3.1.1 Meetings

During the year 2024-25, the Audit Committee met Four(4) times as detailed below:-

S.No.	Meeting No.	Date of Meetings
01.	146	30.05.2024
02.	147	14.08.2024
03.	148	11.11.2024
04.	149	10.02.2025

3.1.2 Composition & Attendance at the Meetings

The details of members including change, if any, in their tenure, number of meetings held during the year and attendance of the members are as under:-

(in Nos.)

S.No.	Name of the Member (S/Shri)	Status	Category	Period		Meetings during 2024-25	
				From	To	Held	Attended
01.	Jyoti Bhramar Tubid	Chairperson	NEID	15.11.2022	Continuing	04	02
		Member		02.09.2022	Continuing		
02.	Dr. Poonam Sharma^	Member	NEID	07.12.2021	11.11.2024	03	03
03.	Kashi Ram Godara^	Member	NEID	07.12.2021	11.11.2024	03	03
04.	Dr. Venkata Sarvarayudu Thota^^	Member	NEID	12.11.2024	29.11.2024	00	00
05.	Dr. U. Saravanan*	Member	C&MD	12.11.2024	Continuing	01	01
06.	Rajan Kanwar*	Member	ED	12.11.2024	Continuing	01	01

Table Key: C&MD – Chairman & Managing Director, ED – Executive Director, NEID – Non-Executive Independent Director.

^ Dr. Poonam Sharma and Shri Kashiram Godara, have ceased to be Non-Executive Independent Directors due to completion of their tenure w.e.f. 12.11.2024.

^^ Dr. Venkata Sarvarayudu Thota inducted as member w.e.f. 12.11.2024 and has ceased to be Non Executive Independent Director due to completion of his tenure w.e.f. 30.11.2024.

* Dr. U. Saravanan and Shri Rajan Kanwar had been inducted as member w.e.f. 12.11.2024 and 30.11.2024 respectively.

In addition to the above, Shri Rajan Kanwar ceased to be Director (Technical) w.e.f. 01.05.2025 on attaining the age of superannuation on 30.04.2025.

Dr. U. Saravanan has ceased to be the member of the committee w.e.f. 05.05.2025.

Shri Jyoti Bhramar Tubid has ceased to be Non-Executive Independent Director due to completion of his tenure w.e.f. 20.04.2025. Further, consequent upon his appointment as Non Executive Independent Director on the board, he was inducted as chairperson w.e.f. 05.05.2025.

Shri Rabi Ranjan Sen, Non-Executive Independent Director, and Shri Mahesh Chander Gupta, Director (Marketing), were inducted as member w.e.f. 05.05.2025.

Ms. Pinky Pradhan, Non-Executive Independent Director, was inducted as member w.e.f. 15.07.2025.

Statutory Auditors are invited to attend Audit Committee meetings when ever felt necessary. The Cost Auditors are also invited to attend these meetings when Cost Audit Report and matters related thereto are discussed. Corporate Finance Head, Head of Internal Audit and other Functional Heads are invited as Special Invitees. The Company Secretary acts as Secretary to the Committee.

3.2 Stakeholders Relationship Committee

The Stakeholders Relationship Committee is in line with the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The scope of the Stakeholders Relationship Committee inter-alia includes the following:-

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

(2) Review of measures taken for effective exercise of voting rights by shareholders.

(3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

(4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

(5) Resolving grievances of debenture holders related to creation of charge, payment of interest/principal, maintenance of security cover and any other covenants.

3.2.1 Meetings

During the year 2024-25, the Stakeholders Relationship Committee met once as detailed below:-

S.No.	Meeting No.	Date of Meetings
01.	12	11.11.2024

3.2.2 Composition & Attendance at the Meetings

The details of members including change, if any, in their tenure, number of Meetings held during the year and attendance of the members are as under:-

(in Nos.)

S.No.	Name of the Member (S/Shri)	Status	Category	Period		Meetings during 2024-25	
				From	To	Held	Attended
01.	Kashi Ram Godara^	Chairperson	NEID	04.05.2023	11.11.2024	01	01
02.	Jyoti Bhramar Tubid^^	Chairperson	NEID	12.11.2024	Continuing	01	01
		Member		02.09.2022	Continuing		
03.	Dr. Venkata Sarvarayudu Thota*	Member	NEID	15.11.2022	29.11.2024	01	01
04.	Ritesh Tiwari^	Member	NEID	07.12.2021	11.11.2024	01	01
05.	Dr. U. Saravanan	Member	C&MD	22.06.2023	Continuing	01	01
06.	Hira Nand	Member	ED	02.09.2022	Continuing	01	01
07.	Rajan Kanwar	Member	ED	15.11.2022	Continuing	01	01

Table Key: C&MD-Chairman & Managing Director, ED-Executive Director, NEID- Non-Executive Independent Director

^ Shri Kashiram Godara and Shri Ritesh Tiwari , have ceased to be Non-Executive Independent Directors due to completion of their tenure w.e.f. 12.11.2024.

^^ Shri Jyoti Bhramar Tubid has been appointed as Chairperson of Stakeholders Relationship Committee w.e.f. 12.11.2024. He has ceased to be Non Executive Independent Director due to completion of his tenure w.e.f. 20.04.2025. Further, consequent upon his appointment as Non Executive Independent Director on the board, he was inducted as chairperson w.e.f. 05.05.2025.

* Dr. Venkata Sarvarayudu Thota has ceased to be Non-Executive Independent Director due to completion of his tenure w.e.f. 30.11.2024.

In addition to the above, Shri Rajan Kanwar ceased to be Director (Technical) w.e.f. 01.05.2025 on attaining the age of superannuation on 30.04.2025.

Shri Rabi Ranjan Sen, Non-Executive Independent Director and Shri Mahesh Chander Gupta, Director (Marketing), were inducted as member w.e.f. 05.05.2025.

3.2.3 Compliance Officer

Shri Ashok Jha, Company Secretary, is the Compliance Officer and has been entrusted with the responsibility for redressal of Shareholders and investors' grievances and reports the same to the Committee. Details of the same are also available on the website of the company at www.nationalfertilizers.com.

3.2.4 Summarized information on complaints

The Company addresses all complaints, suggestions and grievances of the investors expeditiously and resolves them within specified timeline, except in case of dispute over facts or other legal constraints.

During the Financial Year under review, quarter wise investor complaints details are given below:-

Quarter Ended	Complaints Received	Complaints Resolved	Complaints Pending
30.06.2024	NIL	NIL	N.A
30.09.2024	01	01	NIL
31.12.2024	NIL	NIL	N.A
31.03.2025	NIL	NIL	N.A
Total	**01**	**01**	**NIL**

3.3 Nomination and Remuneration Committee

The Company, being a Central Public Sector Enterprise, the appointment, tenure and remuneration of Directors are decided by the Department of Fertilizers, Government of India. Independent Directors are paid sitting fees for attending the Board/ Committee Meetings within the ceiling fixed under the Companies Act, 2013. During the year under review, the composition of Nomination & Remuneration Committee was not proper from 30.11.2024 to 04.05.2025 due to non-appointment of requisite number of Independent Directors by the Department of Fertilizers, Government of India. NFL being a government company is exempted from applicability of provisions of the Companies Act, 2013 with regard to formulation of criteria for determining qualifications, positive attributes, evaluation of Directors, their remuneration etc.

Remuneration of employees consisting of basic pay, perquisites, performance Incentives, retirement benefits is regulated as per guidelines laid down by Department of Public Enterprises (DPE), Government of India. Within the framework of DPE Guidelines, Remuneration Policy of the Company aims to motivate employees to excel in performance, recognize their contribution and retain talent in the organization and reward merit.

Terms of reference of the committee is as per provision of Section 178 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The committee identifies persons who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal. Further, in terms of the DPE Guidelines, every Central Public Sector Enterprise is required to constitute a Nomination & Remuneration Committee headed by an Independent Director to decide the Annual Bonus/Variable Pay Pool and policy for its distribution across the executives and non-unionized supervisors. The Board has constituted a Nomination and Remuneration Committee.

3.3.1 Meetings

During the year 2024-25, the Nomination and Remuneration Committee met once as detailed below:-

S.No.	Meeting No.	Date of Meetings
01.	22	05.07.2024

3.3.2 Composition & Attendance at the Meetings

The details of members including change, if any, in their tenure, number of Meetings held during the year and attendance of the members are as under:-

(in Nos.)

S.No.	Name of the Member (S/Shri)	Status	Category	Period		Meetings during 2024-25	
				From	To	Held	Attended
01.	Ritesh Tiwari^	Chairperson	NEID	04.05.2023	11.11.2024	01	01
02.	Jyoti Bhramar Tubid^^	Chairperson	NEID	12.11.2024	Continuing	00	00
03.	Dr. U. Saravanan	Member	C&MD	22.06.2023	Continuing	01	01
04	Hira Nand*	Member	ED	30.11.2024	Continuing	00	00
05.	Neeraja Adidam**	Member	NEID	25.10.2021	07.11.2024	01	NIL
06.	Dr. Poonam Sharma^	Member	NEID	07.12.2021	11.11.2024	01	01
07.	Kashi Ram Godara^	Member	NEID	07.12.2021	11.11.2024	01	01
08.	Dr. Venkata Sarvarayudu Thota#	Member	NEID	07.12.2021	29.11.2024	01	01

Table Key: C&MD-Chairman & Managing Director, ED-Executive Director, NED-Non-Executive Director, NEID-Non-Executive Independent Director.

^ Shri Ritesh Tiwari, Dr. Poonam Sharma and Shri Kashiram Godara have ceased to be Non-Executive Independent Directors due to completion of their tenure w.e.f. 12.11.2024.

^^ Shri Jyoti Bhramar Tubid was appointed as the Chairperson of Committee w.e.f. 12.11.2024.

He has ceased to be Non-Executive Independent Director due to completion of his tenure w.e.f. 20.04.2025. Further, consequent upon his appointment as Non-Executive Independent Director on the board, he was inducted as chairperson w.e.f. 05.05.2025.

* Shri Hira Nand was inducted as member of the Committee from 30.11.2024 to 04.05.2025.

** Smt. Neeraja Adidam, has ceased to be part time Government Nominee Director w.e.f. 07.11.2024 in terms of Order No. 95/1/2019-HR-PSU dated 01st November, 2024.

Dr. Venkata Sarvarayudu Thota has ceased to be Non-Executive Independent Director due to completion of his tenure w.e.f. 30.11.2024.

In addition to the above, Ms. Pinky Pradhan, Non-Executive Independent Director, was inducted as member w.e.f. 15.07.2025.

3.4 Corporate Social Responsibility and Sustainable Development Committee

Committee on Corporate Social Responsibility and Sustainable Development has been constituted for formulating and monitoring the Corporate Social Responsibility and Sustainable Development Plans of the Company and their execution. The Committee has also been empowered to look into matters related to sustainability and inclusive governance. Committee's prime responsibility is to assist the Board in discharging its Corporate Social Responsibilities and Sustainable Development. Committee's constitution and terms of reference meet with the requirements of the Companies Act, 2013.

The Company has also formulated "CSR Policy" to effectively serve the interests of the society by taking the responsibility for the impact of their activities on customers, employees, shareholders, communities, environment in all aspects of their operation. The CSR Policy of the company is available at the website of the company www.nationalfertilizers.com.

3.4.1 Meetings

During the year 2024-25, the Corporate Social Responsibility and Sustainable Development Committee met twice as detailed below:-

S.No.	Meeting No.	Date of Meetings
01.	39	05.07.2024
02.	40	14.08.2024

3.4.2 Composition & Attendance at the Meetings

The details of members including change, if any, in their tenure, number of Meetings held during the year and attendance of the members are as under:-

(in Nos.)

S.No.	Name of the Member (S/Shri)	Status	Category	Period		Meetings during 2024-25	
				From	To	Held	Attended
01.	Dr. Poonam Sharma^	Chairperson	NEID	15.11.2022	11.11.2024	02	02
		Member		07.12.2021	11.11.2024		
02.	Jyoti Bhramar Tubid^^	Chairperson	NEID	12.11.2024	Continuing	02	01
		Member		15.11.2022	Continuing		
03.	Dr. U. Saravanan	Member	C&MD	22.06.2023	Continuing	02	02
04.	Hira Nand	Member	ED	02.09.2022	Continuing	02	02
05.	Ritesh Tiwari^	Member	NEID	07.12.2021	11.11.2024	02	02
06.	Kashi Ram Godara^	Member	NEID	07.12.2021	11.11.2024	02	02

Table Key: C&MD – Chairman & Managing Director, ED – Executive Director, NED – Non-Executive Director, NEID – Non-Executive Independent Director.

^ Dr. Poonam Sharma, Shri Ritesh Tiwari and Shri Kashiram Godara have ceased to be Non-Executive Independent Directors due to completion of their tenure w.e.f. 12.11.2024.

^^ Shri Jyoti Bhramar Tubid has been appointed as Chairperson of Committee w.e.f. 12.11.2024.

He has ceased to be Non-Executive Independent Director due to completion of his tenure w.e.f. 20.04.2025. Further, consequent upon his appointment as Non-Executive Independent Director on the board, he was inducted as member w.e.f. 05.05.2025.

In addition to the above, Shri Rabi Ranjan Sen, Non-Executive Independent Director, has been appointed as Chairperson of the Committee w.e.f. 05.05.2025.

Ms. Pinky Pradhan, Non-Executive Independent Director, was inducted as member w.e.f. 15.07.2025.

3.5 Risk Management Committee

Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is applicable to top 1000 listed entities (which was earlier applicable to top 500 listed entites). NFL's Rank was 499 as per data Published by NSE based on market capitalization as on 31.03.2018. Board of Director in its Meeting held on 1st February, 2019 constituted Risk Management Committee to monitor, approve and review the risk policies/plan and associated practices of the Company. Currently NFL's Ranking is 686 as on 31.12.2024 as per data published by NSE based on market capitalization. The role and responsibilities of the Risk Management Committee inter-alia includes the following:

- Assist the board in fulfilling its corporate governance in overseeing the responsibilities with regard to the Identification, evaluation and mitigation of operational, strategic and external environment risks.
- Monitor, approve and review the risk policies/ plans and associated practices of the company.
- Review and approve risk disclosure statements in any public documents or disclosures. Carry out any other function as required by the provisions of the Companies Act, 2013, Listing Agreement including SEBI (LODR) Regulations, 2015 and Corporate Governance Guidelines issued by DPE.
- Ensure that appropriate systems are in place to manage the identified risks, so that the organizations assets and reputation are suitably protected.
- Ensure that responsibility and authorities are clearly defined and adequate resources are assigned to implement the Risk Management Policy.
- Review the reports from the Risk Assessment Committee and take remedial action.

3.5.1 Meetings

During the year 2024-25, the Risk Management Committee met four (4) times as detailed below:-

S.No.	Meeting No.	Date of Meetings
01.	23	30.05.2024
02.	24	14.08.2024
03.	25	11.11.2024
04.	26	10.02.2025

3.5.2 Composition & Attendance at the Meetings

The details of members including change, if any, in their tenure, number of Meetings held during the year and attendance of the members are as under:-

(in Nos.)

S.No.	Name of the Member (S/Shri)	Status	Category	Period		Meetings during 2024-25	
				From	To	Held	Attended
01.	Dr. Venkata Sarvarayudu Thota^	Chairperson	NEID	04.05.2023	29.11.2024	03	03
02.	Jyoti Bhramar Tubid^^	Chairperson	NEID	30.11.2024	Continuing	01	01
		Member		12.11.2024	Continuing		
03.	Ritesh Tiwari*	Member	NEID	15.11.2022	11.11.2024	03	03
04.	Dr. U. Saravanan	Member	C&MD	22.06.2023	Continuing	04	04
05.	Hira Nand	Member	ED	14.02.2022	Continuing	04	04
06.	Rajan Kanwar	Member	ED	15.11.2022	Continuing	04	04

Table Key: C&MD – Chairman & Managing Director, ED – Executive Director, NED – Non-Executive Director, NEID – Non- Executive Independent Director.

^ Dr. Venkata Sarvarayudu Thota has ceased to be Non-Executive Independent Director due to completion of his tenure w.e.f. 30.11.2024.

^^ Shri Jyoti Bhramar Tubid has been inducted as member w.e.f. 12.11.2024 and appointed as Chairperson of Risk Management Committee w.e.f. 30.11.2024. He has ceased to be Non Executive Independent Director due to completion of his tenure w.e.f. 20.04.2025. Further, consequent upon his appointment as Non-Executive Independent Director on the board, he was inducted as member w.e.f. 05.05.2025.

* Shri Ritesh Tiwari ceased to be member of Risk Management Committee w.e.f. 12.11.2024 due to completion of his tenure.

In addition to the above, Shri Rajan Kanwar ceased to be Director (Technical) w.e.f. 01.05.2025 on attaining the age of superannuation on 30.04.2025.

Shri Rabi Ranjan Sen, Non-Executive Independent Director, has been appointed as Chairperson of the committee w.e.f. 05.05.2025.

4. SENIOR MANAGEMENT

Senior Management Officials includes Shri. Hira Nand, Chief Financial Officer, Shri Ashok Jha, Compliance Officer, Shri Anil Motsara, ED (IT), Shri B.V. Vittal, ED (HR), Shri M.N. Goyal, ED (Unit Head- Nangal), Shri J Ramesh, ED (F&A) Shri S.K. Jha, ED (Unit Head- Panipat) and Shri B.B. Grover ED(TS). Further, Shri Vijay Kumar Bangar, ED (Unit Head- Vijaipur) and Shri S.K. Jha, ED (Unit Head- Panipat) have been superannuated on the attaining of age of Superannuation.

5. DETAILS OF REMUNERATION AND SITTING FEE PAID TO DIRECTORS DURING 2024-25

5.1 Remuneration to Executive Directors and Company Secretary

(₹ in Lakh)

S.No.	Name of Director (S/Shri)	Salary	Perks	Other Benefits	Gratuity/ pension	Total
01.	Dr. U. Saravanan, C&MD	42.71	9.43	11.06	1.44	64.64
02.	Hira Nand, Director (Finance)	39.78	13.72	12.32	1.35	67.17
03.	Rajan Kanwar, Director (Technical)	38.85	14.59	7.91	1.33	62.68
04.	Mahesh Chander Gupta , Director (Marketing)#	3.01	0.60	0.31	-	3.92
05.	Ashok Jha, Company Secretary	22.45	5.71	2.27	0.76	31.19
	Total	**146.80**	**44.05**	**33.87**	**4.88**	**229.60**

* Remuneration does not include the provisions made on actuarial valuation of retirement benefits.

Shri Mahesh Chander Gupta appointed as Director (Marketing) w.e.f. 11.03.2025.

The terms of appointment with respect to the severance notice period and fees payable to the Directors is as per the orders issued by Department of Fertilizers, Ministry of Chemicals and Fertilizers, Government of India.

5.2. Sitting Fee to Independent Directors

The Non-executive Independent Directors are paid sitting fee of ₹ 45,000/- and ₹ 35,000/- for attending meeting of the Board and Committee thereof respectively. Sitting fee paid to Independent Directors during 2024-25 is as follows:

(Amount in ₹)

S.No.	Name of the Independent Director (S/Shri)	Board Meetings	Audit Committee & other Board Sub- Committee Meetings	Total
01.	Dr. Poonam Sharma	2,70,000	2,10,000	4,80,000
02.	Ritesh Tiwari	2,70,000	3,45,000	6,15,000
03.	Kashi Ram Godara	2,70,000	2,45,000	5,15,000
04.	Dr. Venkata Sarvarayudu Thota	2,70,000	1,75,000	4,45,000
05.	Jyoti Bhramar Tubid	1,80,000	1,75,000	3,55,000
	TOTAL	**12,60,000**	**11,50,000**	**24,10,000**

The criteria of making payments to Non-Executive Directors is available at www.nationalfertilizers.com.

5.3 Government Nominee Directors

Government Nominee Directors being the representatives of Promoters are not paid any remuneration including sitting fees.

5.4 Stock Options

The Company has not issued any stock options during the year under review.

6. GENERAL BODY MEETINGS

6.1 Details of last three Annual General Meetings held are as follows:-

Type of Meeting	Date of Annual General Meeting	Time of Annual General Meeting	Place of Annual General Meeting	Whether any special resolution passed
Year 2021-22				
Annual General Meeting	29.09.2022	02:30 PM	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM)	Yes
Year 2022-23				
Annual General Meeting	29.09.2023	02:30 PM	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM)	-
Year 2023-24				
Annual General Meeting	27.09.2024	02:30 PM	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM)	-

7. POSTAL BALLOT

Company had not transacted any business through postal ballot during the year 2024-25.

8. EXTRAORDINARY GENERAL MEETING

No Extraordinary General Meeting was held during the year.

9. OTHER DISCLOSURES

9.1 Disclosures on Materially Significant Related Party Transactions

No transaction of a material nature has been entered into by the Company with the Directors, senior management personnel and their relatives that may have potential conflict with the interest of the Company except as disclosed under the related party transactions as per Ind – AS-24 "Related Party Disclosures", which are set out in the Annual Report.

9.2 Details of Penalties etc.

BSE and NSE have levied monetary fines for non-compliance with Regulation 17(1), 18(1) and 19(1)/19(2) of SEBI (LODR) Regulations, 2015 against the Company as detailed in Secretarial Compliance Report (**Annexure-14**). BSE and NSE vide its email dated 17.03.2025 and 29.05.2025 imposed fine on National Fertilizers Limited ("NFL") for non-compliance with Regulation 17(1) , 18(1) and 19(1)/19(2)of SEBI (LODR) Regulations, 2015. NFL has made appeal to BSE and NSE for withdrawal of the Notices and waiver of fine.

9.3 Details of Vigil Mechanism/Whistle Blower Policy

Company believes in transparency and propriety in all its business dealings and to take this object further, Company has put in place a Whistle Blower Policy providing for a mechanism to the employees and other stakeholders to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct or Ethics Policy. The policy provides for adequate safeguards against victimization of Whistle Blowers. The policy is reviewed periodically. No employee or other stakeholders were denied access to the Audit Committee. Whistle Blower Policy is available on the website of the Company at www.nationalfertilizers.com.

9.4 Related Party Transactions Policy

Related Party Transaction Policy of the Company is available at www.nationalfertilizers.com and the same can also be downloaded by clicking on https://www.nationalfertilizers.com/wp-content/uploads/2023/01/Policy-on-Related-Party-Transaction.pdf.

9.5 Policy for Determining 'Material' Subsidiaries

Policy for determining 'material' subsidiaries is available at www.nationalfertilizers.com and the same can also be downloaded by clicking on https://www.nationalfertilizers.com/wp-content/uploads/2023/01/Policy-for-determining-Material-Subsidiary.pdf.

9.6 Foreign Exchange risk or Commodity price risk and hedging activities

Hedging activities/ transactions during the financial year 2024-25 have been undertaken by the company in line with the Board approved foreign exchange risk management policy. The basic philosophy is that the risk should be limited to what company can bear. Based on this, the risk appetite of the Company (generally linked to % of profits) open position of unhedged forex exposure is worked out for monitoring with pre - determined stop loss limits.

With regard to foreign currency loan, if any, the forex risk is also monitored with the alternative rupee cost of borrowing. Besides, the treasury should ensure that it does not increase the risk exposure of the company

by entering into any speculative transaction or a transaction that has an effect of increasing the risk exposure of the company.

9.7 Compliance with Mandatory Requirements for Corporate Governance Report

The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and Clause (ab) to (i) and clause (t) of Sub-regulation (2) of Regulation 46 except as specified in Compliance Certificate on Corporate Governance issued by the Secretarial Auditor and the same is appended as **Annexure-4.**

9.8 Compliance of discretionary requirements specified in Part-E of Schedule-II

Status of compliance with discretionary requirements under Regulation 27(1) of SEBI (LODR) Regulations, 2015 is as under:

1. **The Board:** The Company is headed by an Executive Chairman.

2 **Shareholder Rights:** The quarterly financial results of the Company are published in leading newspapers as mentioned under heading 'Means of Communication' and also hosted on the website of the Company.

3. **Modified opinion(s) in audit report:** The Auditor's Report for F.Y. 2024-25 was unmodified.

4. **Reporting of the Internal Auditor:** Internal Auditors are appointed by the Board on the recommendation of Audit Committee. Internal Audit Programs are approved by the Audit Committee. The Internal Auditors reports to the Audit Committee on significant observations.

9.9 Investor Education and Protection Fund

During the year 2024-25 company has transferred an amount of Rs. 265531.50 to Investor Education and Protection Fund with respect to unpaid/unclaimed dividend.

9.10 Transfer of Shares to Investor Education and Protection Fund

In accordance with the applicable provisions of Section 124 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. Company has transferred 10,311 equity shares to the Investor Education and Protection Fund Authority during the year 2024-25. Thus total number of equity shares of IEPF Authority Demat Account as on 31.03.2025 stands at 56,890.

9.11 Disclosure with respect to demat suspense account/unclaimed suspense account and Unpaid/Unclaimed Dividend transferred to IEPF

The Company has no shares in the demat suspense account or unclaimed suspense account.

9.11.1 Nodal Officer

In compliance with Companies Act, 2013 and The Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, Shri Ashok Jha, Company Secretary of the company has been appointed as Nodal Officer for the purpose of coordination with IEPF Authority.

9.12 Monitoring of Foreign Investment

Pursuant to the Circular No. IMD/FPIC/CIR/P/2018/61 dated April 05, 2018 issued by SEBI regarding Monitoring of Foreign Investment Limits in listed companies by the depositories, the Company has

appointed National Securities Depository Limited (NSDL) as Designated Depository for the purpose of monitoring the foreign investment limits.

9.12.1 Designated Official

For the purpose of Monitoring of Foreign Investment Limits, the Company has appointed Shri Ashok Jha, Company Secretary of the Company as Designated Official for assessing NSDL web interface to submit requisite foreign investment information and coordinating with NSDL from time to time.

9.13 Implementation of System-driven Disclosures in Securities Market

Pursuant to the Circular No. SEBI/HO/CFD/DCR1/CIR/P/2018/85 dated May 28, 2018 issued by SEBI regarding system-driven disclosures of promoter, member of the promoter group, and designated person under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulation, 2015, the Company has appointed National Securities Depository Limited (NSDL) as Designated Depository for the purpose of Implementation of System-driven Disclosures.

9.13.1 Designated Official

For the purpose of System-driven Disclosures in Securities Market, the Company has appointed Shri Ashok Jha, Company Secretary of the Company as Designated Official for assessing NSDL issuer service portal to submit information about directors/employees for the purpose of System Driven Disclosures in Securities Market.

9.14 Deposits

The Company has not accepted any deposits during the year in relation to the provisions of Chapter V of Companies Act, 2013.

9.15 Fee to Statutory Auditor

Total fee of ₹ 98.93 Lakh (Rupees Ninety Eight Lakh Ninety Three Thousand only) plus GST was paid for all services rendered by Statutory Auditor (on consolidation basis) during 2024-25.

9.16 Disclosure under Sexual Harassment of Women at Workplace

During the year 2024-25, disclosure in relation to the Sexual Harassment of Women at workplace is as under:

a)	No. of complaints filed during the FY	-	03
b)	No. of complaints disposed off during the FY	-	01
c)	No. of complaints pending as at the end of FY	-	02

9.17 SEBI (LODR) Regulation, 2015:- Certification from Company Secretary in Practice regarding debarred or disqualification of Directors on the Board for the year ended 31st March, 2025.

Mr. Naresh Kumar Sinha, Proprietor of M/s Kumar Naresh Sinha & Associates, Company Secretaries has issued Annual Secretarial Compliance Report for the year ended 31st March, 2025 and a Certificate as required under the listing regulations, confirming that none of the directors on the board of the company has

been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/ Ministry of Corporate Affairs or any such authority annexed as **Annexure-15** to Board's Report forming part of the Annual Report.

9.18 Details of Loans and Advances

During the year under review, there was no Loans and Advances in the nature of loans to firms/companies in which directors were interested.

9.19 Details of Material Subsidiaries

There are no Material Subsidiaries of the company.

9.20 Details of utilization of funds

The company has not raised the funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A).

10. Compliance Officer

Shri Ashok Jha, Company Secretary is the Compliance Officer.

11. Means of Communication

Timely disclosure of consistent, comparable, relevant and reliable information on corporate financial performance is at the core of good governance. Towards this end, the Company has taken the following initiatives:

11.1 Quarterly Results

Quarterly (unaudited but limited review by Auditors) and Annual Audited Financial Results of the Company as recommended by the Audit Committee and approved by the Board are submitted to the Stock Exchange.

11.2 Newspapers Wherein Results Published

Quarterly / Annual Financial Results for 2024-25 were published in prominent newspapers as below: -

Sr. No.	Date of Publication	Period	Name of Newspaper
1.	15.08.2024	30th June, 2024	1. The Indian Express (English) Delhi edition. 2. Jansatta (Hindi) Delhi NCR edition. 3. Financial Express (English) Delhi edition.
2.	12.11.2024	30th September, 2024	1. The Indian Express (English) Delhi NCR. 2. Financial Express (English) Delhi NCR. 3. Jansatta (Hindi) Delhi NCR edition. 4. The Stateman (English) Delhi NCR edition. 5. Free Press Journal (English) Mumbai & Bhopal edition. 6. Business Standard (Hindi) Delhi edition.

Sr. No.	Date of Publication	Period	Name of Newspaper
1.	11.02.2025	31st December, 2024	1. The Indian Express (English) Delhi NCR edition. 2. Financial Express (English) Delhi NCR edition. 3. Jansatta (Hindi) Delhi NCR edition.
2.	31.05.2025	Quarter & Year ended 31st March, 2025	1. The Indian Express (English) Delhi NCR edition. 2. Financial Express (English) Delhi NCR edition. 3. Jansatta (Hindi) Delhi NCR edition. 4. Millennium Post (English) Delhi edition. 5. Mid Day (English) Mumbai edition. 6. Free Press Journal (English) Mumbai.

The quarterly results are also displayed on the official website of the Company at www.nationalfertilizers.com.

11.3 Shareholding Pattern

Shareholding Pattern at the end of each quarter is also conveyed to the Stock Exchanges and available at the website of the Company at www.nationalfertilizers.com.

11.4 Intimation to Stock Exchanges

Stock Exchanges are kept posted with all periodical compliance filings and other major events related to the Company.

11.5 Designated exclusive email ID

Company has designated exclusive email ID: investor@nfl.co.in for the investors.

11.6 Displays official news release

All official Press Releases are posted on the Company's website www.nationalfertilizers.com.

11.7 Presentations

In case, presentations were made to institutional investors or to the analysts, Stock Exchanges were informed within the prescribed timelines.

11.8 Website

The Company's website is a comprehensive reference on its management, vision, policies, corporate governance and investor relations. The Members can access the Memorandum and Articles of Association, details of the Board, the Board Level Committees, Policies, Financial Information, statutory filings, shareholding information, details of unclaimed dividend and shares transferred /liable to be transferred to IEPF etc. In addition, various downloadable forms required to be executed by the shareholders have also been provided on the website of the Company.

11.9 Electronic Communication

The Company had during FY 2024-25 sent various communications including Annual Reports, by email to

those shareholders whose email addresses were registered with the Company/ Depositories. In support of the 'Green Initiative' the Company encourages members to register their email address with their Depository Participant or the Company, to receive soft copies of the Annual Report, Notices and other information disseminated by the Company, on a real-time basis without any delay.

11.10 Scores

A centralised web based complaints redress system 'SCORES' which serves as a centralised database of all complaints received, enables uploading of Action Taken Reports by the concerned companies and online viewing by the investors of actions taken on complaint and its current status.

11.11 ODR

SEBI has introduced Online Dispute Resolution Mechanism to enable online conciliation and arbitration for resolution of disputes arising in the Indian Securities Market between Investors and Listed Companies/Specified Intermediaries/Regulated entities.

An investor/client shall first take up his/her/their grievance with the Market Participant by lodging a complaint directly with the concerned Market Participant. If the grievance is not redressed satisfactorily, the investor/client may, in accordance with the SCORES guidelines, escalate the same through the SCORES Portal in accordance with the process laid out therein. After exhausting these options for resolution of the grievance, if the investor/client is still not satisfied with the outcome, he/she/they can initiate dispute resolution through the ODR Portal.

The link to the ODR portal is also is available at Company's website www.nationalfertilizers.com.

11.12 Green Initiative

All agenda papers for the Board and Committee meetings are disseminated electronically on a real-time basis, by uploading them on a secured online application.

12. GENERAL SHAREHOLDER INFORMATION

12.1 Company's Registration Details

The Company is registered in the state of Delhi. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs is: - L74899DL1974GOI007417.

12.2 Forthcoming Annual General Meeting

Date : 29th September, 2025

Time : 2:30 P.M.

Venue : Meeting is being conducted through Video Conferencing / Other Audio Visual Means (VC/OAVM) pursuant to the MCA Circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, May 5, 2022, December 28, 2022, September 25, 2023 and September 19, 2024.

12.3 Financial Year

1st April to 31st March

12.4 Address for Communication

Registered Office : Scope Complex, Core III, 7, Institutional Area, Lodhi Road, New Delhi –110003.

Corporate Office : A-11, Sector-24, Noida – 201301, Uttar Pradesh.

12.5 Website

Information related to shareholders like Annual Report, Quarterly Financial Results, Shareholding Pattern etc. is available at Company's website www.nationalfertilizers.com.

12.6 Telephone numbers and E-Mail Reference for communication are given below:

Particulars	E mail ID	Telephone No.	Fax No.
Registered Office	investor@nfl.co.in	011-24360066	011-24361553
Investor Services Cell		0120-2411748 PBX:0120-3292201-08	0120-2411132 & 0120-2412397
Company Secretary	cs@nfl.co.in	0120-2411748	0120-2411132

12.7 Financial Calendar for FY 2025-26

Particulars	Period
Accounting Period	01st April, 2025 to 31st March, 2026
Un-audited Financial Results for the first three quarters	Within a period of 45 days from the end of each quarter
Fourth Quarter Results	Within a period of 60 days from the end of financial year
AGM (Next Year)	September, 2026 (Tentative)

12.8 Cut - Off date

The cut-off date for the purpose of AGM for recognizing the voting rights of Shareholders is 22.09.2025.

12.9 E-voting

Members will be provided e-voting facility to exercise their right to vote at the 51st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services through National Securities Depository Limited (NSDL). The remote e-voting facility will be available from 26.09.2025 (from 09:00 A.M.) to 28.09.2025 (up to 5:00 P.M.).

12.10 Payment of Dividend

During the year under review, the Board of Directors has recommended Final Dividend of ₹1.56 (15.60%) per equity share of ₹ 10 each on the paid up equity share capital of the Company for the Financial Year 2024-25 which shall be paid after approval of the Shareholders at the Annual General Meeting.

The Company has the Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and it is available on the Company's website at https://www.nationalfertilizers.com/wp-content/uploads/2023/01/FINAL- DIVIDEND-DISTRIBUTION-POLICY-FINAL.pdf.

12.11 Listing on Stock Exchanges

The equity shares of the Company are listed on the following stock exchanges:-

12.11.1 The BSE Limited (BSE)

Name, Address and contact details	Security Code	Security
BSE Limited (BSE) P.J. Towers, Dalal Street, Mumbai –400001. Telephone: 022-22721233/4 Fax: 022-22721919 Email: info@bseindia.com Website: www.bseindia.com	523630	Equity

12.11.2 The National Stock Exchange of India Limited (NSE)

Name, Address and contact details	Security Code	Security
The National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot No. 1, G-block, Bandra-Kurla Complex, Bandra (East), Mumbai, Pin - 400051 Telephone: 022 2659 8100/ 2659 8114 / 66418100 Fax: 022 -2659 8120 Email: cc_nse@nse.co.in Website: www.nseindia.com	NFL	Equity

12.11.3 Commercial Paper Listed During The Year 2024-25

Name, Address and contact details of stock exchange	Scrip Code BSE	ISIN Code	Amount(Rs)
NATIONAL STOCK EXCHANGE			
NIL			
BOMBAY STOCK EXCHANGE			
NIL			

12.12 Listing Fee

The Annual Listing Fee upto 2025-26 has been paid to the concerned stock exchanges.

12.13 Payment of Annual Custody Fee to NSDL and CDSL

Demat ISIN No. in NSDL and CDSL	INE870D01012

Company has paid the Annual Custody Fee to NSDL and CDSL for the financial year 2025-26.

12.14 Market Price Data

Monthly high and low price of shares of the Company during the financial year on the BSE Limited (BSE) and National Stock Exchange (NSE) were as follows:-

12.14.1 BSE

Month	Stock Prices of the Company		Corresponding BSE Indices (SENSEX)	
	High (₹)	Low (₹)	High	Low
April, 2024	108.08	88.37	7512428	71816.46
May, 2024	110.55	93	76009.68	71866.01
June, 2024	155.60	87.75	79671.58	70234.43
July, 2024	169.95	129.20	81908.43	78971.79
August, 2024	149.45	125.30	82637.03	78295.86
September, 2024	142.25	124.75	85978.25	80895.05
October, 2024	130.75	101.65	84648.40	79137.98
November, 2024	124.80	104	80569.73	76802.73
December, 2024	129.7	112.20	82317.74	77560.79
January, 2025	122.05	96.10	80072.99	75267.59
February, 2025	113.45	78	78735.41	73141.27
March, 2025	87	73.67	78741.69	72633.54

Face Value per Share is ₹10/-

12.14.2 NSE

Month	Stock Prices of the Company		Corresponding NSE Indices (Nifty)	
	High (₹)	Low (₹)	High	Low
April, 2024	108.2	88	22783.35	21777.65
May, 2024	110.65	92.90	23110.80	21821.05
June, 2024	155.50	87.35	24174	21281.45
July, 2024	169.95	129.25	24999.75	23992.70
August, 2024	149.35	128.61	25268.35	23893.70
September, 2024	142.29	124.77	26277.35	24753.15
October, 2024	130.70	101.59	25907.60	24073.90
November, 2024	124.90	103.89	24537.60	23263.15
December, 2024	129.70	112.26	24857.75	23460.45
January, 2025	122.70	96	24226.70	22786.90
February, 2025	113.35	77.82	23807.30	22104.85
March, 2025	87	73.70	23869.60	21964.60

Face Value per Share is ₹10/-

12.15 Registrar and Share Transfer Agent

Name of Registrar and Share Transfer Agent	M/s. MAS Services Limited
Address:	T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi Pin Code – 110020
Phone:	011-26387281/82/83
Fax:	011-26387384
Email:	investor@masserv.com

12.16 Distribution of Shareholding

Shares held by different type of shareholders as on 31st March, 2025 are given below:-

12.16.1 According to size

No. of Equity Shares held	Number of Shareholders	Percentage to Total	No. of shares held	Percentage to Total
(1)	(2)	(3)	(4)	(5)
1 to 500	283159	91.176	27234968	5.552
501 to 1000	15440	4.972	12156490	2.478
1001 to 2000	6647	2.140	9939049	2.026
2001 to 3000	2127	0.685	5457896	1.113
3001 to 4000	809	0.260	2917715	0.595
4001 to 5000	771	0.248	3651978	0.744
5001 to 10000	975	0.314	7198571	1.467
10001 & above	635	0.204	422021733	86.025
Total	**310563**	**100.00**	**490578400**	**100.00**

12.17 Shareholding Pattern

	Category	Number of Shares held	Percentage of shareholding
(A)	**Shareholding of Promoter and Promoter Group (Government of India)**		
I	Indian	366,529,532	74.71
II	Foreign	-	-
	Sub Total (A)	**366,529,532**	**74.71**
(B)	**Public shareholding Institutions**		
I	Institutions	3,64,65,608	7.43
II	Non-institutions	8,75,83,260	17.85
	Sub Total (B)	**12,40,48,868**	**25.29**
	GRAND TOTAL	**490,578,400**	**100.00**

12.18 Outstanding GDRs, ADRs, Warrants or any convertible instruments, etc.

Company has not issued any such securities.

12.19 Status of dematerialization of shares as on 31st March, 2025

The shares of the Company are compulsorily traded in dematerialized mode. Company has signed agreements with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). All matters relating to transfer/transmission of shares, issue of duplicate share certificates, payment of dividend, de-materialization and re-materialization of shares and redressal of investors grievances are carried out by the Company's RTA i.e. M/s. MAS Services Limited, New Delhi.

12.19.1 The position of shares held in dematerialized and physical mode as on 31.03.2025

Mode of Holding	Number of Shares	Percentage
National Securities Depository Limited (NSDL)	6,98,82,330	14.25
Central Depository Services (India) Limited (CDSL)	42,04,32,691	85.70
Physical	2,63,379	0.05
Total	**490,578,400**	**100.00**

12.19.2 Share Transfer System

Trading in equity shares of the Company through Recognized Stock Exchanges can be done only in dematerialized form. The Board has delegated the authority for approving transfer/ transmission etc. to the Share Transfer Committee.

12.19.3 Shares held in physical form – details of PAN and Bank Account

SEBI vide Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/91 dated June 23, 2025 provided that it shall be mandatory for all holders of physical securities in listed companies to furnish PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers. A separate communication has already been sent by the Company to the shareholders holding shares in physical mode. These Shareholders are again requested to register the same if they have not registered already. Form for registering the same can be downloaded from RTA website i.e. www.masserv.com and on Company's website i.e. www.nationalfertilizers.com.

In view of the above, shareholders of the Company holding securities in physical form are requested to provide following documents/details to RTA:

i) PAN (using ISR-1);

ii) Nomination in Form No.SH-13 or submit declaration to 'Opt-out' in Form ISR-3;

iii) Contact details including Postal address with PIN code, Mobile Number, E-mail address (in Form ISR-1);

iv) Bank Account details including Bank name and branch, Bank account number, IFS code (in Form ISR-1);

v) Specimen signature (using ISR-1 and ISR-2);

vi) Any cancellation or change in nomination shall be provided in Form No.SH-14.

All of above required documents/ details shall be sent at the address of registered office of the RTA (M/s. MAS Services Limited, T-34, II Floor, Okhla Industrial Area, Phase-II, New Delhi-110020). The shareholders can download the forms mentioned in SEBI circular from the website of the Company www.nationalfertilizers.com or website of RTA i.e. www.masserv.com.

In addition to above circular has specified that:

I. Non-submission of 'choice of nomination' shall not result in freezing of Demat Accounts as well as Mutual Fund Folios.

II. Security holders holding securities in physical form shall be eligible for receipt of any payment including dividend, interest or redemption payment as well as to lodge grievance or avail any service request from the RTA even if 'choice of nomination' is not submitted by these security holders.

III. Payments including dividend, interest or redemption payment withheld presently by the Listed Companies/RTAs, only for want of 'choice of nomination' shall be processed accordingly.

Company's RTA M/s. MAS Services Limited has also approached the shareholders holding shares in physical form to collect their valid PAN, KYC details in Form ISR-1, for change of signature detail in Form ISR- 2, for Incorporation of Nomination in Form SH-13, for Removal of nomination or declaration to opt-out in Form ISR-3 etc. In this regard, communication has been sent to the shareholders holding shares in physical mode by the Company pursuant to the aforesaid SEBI Circular.

12.19.4 Transfer of physical shares

SEBI vide Notification No. SEBI/LAD-NRO/GN/2018/24 dated 08.06.2018 and SEBI/LAD-NRO/GN/2022/66 dated 24.01.2022 has inserted a proviso in Regulation 40 of SEBI (LODR) Regulations, 2015, which provides that except in the case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository and Provided further that transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form. SEBI vide its press release dated 27.03.2019 had clarified that any investor who is desirous of transferring shares (which are held in physical form) after April 01, 2019 can do so only after the shares are dematerialized. Accordingly, all shareholders holding shares in physical form are requested to get their shares in dematerialized form to facilitate transfer of their shares. Further, SEBI vide its notification no. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated 02.07.2025 has allowed opening of a Special Window, for Re-lodgement of transfer requests of physical shares which were lodged prior to 01.04.2019 and rejected/returned/not attended to due to deficiency in the documents/process/or otherwise, for a period of six months from 07.07.2025 to 06.01.2026.

12.20 Name and addresses of the Depositories

National Securities Depository Limited (NSDL)	
Address	301, 3rd Floor, Naman Chambers, G Block, Plot No. C-32, Bandra Kurla Complex, Bandra East, Bandra (East), Mumbai-400051 Maharashtra, India
Central Depository Services (India) Limited (CDSL)	
Address	Marathon Futurex, A-Wing, 25th floor, NM Joshi Marg, Lower Parel, Mumbai - 400013

12.21 Location of Production Units

Company's production facilities for manufacture of Urea fertilizer being the main product, are located at the following locations:

S.No.	Unit	Location
01.	Nangal	Nangal, District Ropar, Punjab-140126. Tel.No. 01887-220543, FAX No. 01887-220541
02.	Bathinda	Sibian Road, Bathinda, Punjab-151003 Tel. No. 0164-2270261/62, FAX No. 0164-2760270
03.	Panipat	Gohana Road, Panipat, Haryana-132106 Tel.No. 0180-2652545, 2652486, FAX No. 0180-2652515
04.	Vijaipur I & II	Vijaipur, District Guna, Madhya Pradesh-473111 Tel.No. 07544-273089, 273109, FAX No. 07544-273089/273109

12.22 CEO & CFO Certification

The Chairman & Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of SEBI (LODR) Regulations, 2015. The Chairman & Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of SEBI (LODR) Regulations, 2015 .The Annual Certificate given by the Chairman & Managing Director and the Chief Financial Officer is being published in this Report.

12.23 Audits and Internal Control System

To ensure highest level of corporate governance, your company has robust Internal Control Systems and Processes in place for smooth and efficient conduct of business and compliance of relevant laws and regulations. A well-defined system of delegation of power exists for decision making which is being periodically reviewed to meet the requirement of changing business scenario. In order to ensure that all checks and balances are in place and all internal control systems are in order, regular internal audits of non-technical activities are conducted by the experienced professional firms and internal audits of technical activities are carried out by the in-house internal audit teams as per the exhaustive audit programme in coordination with the company's Internal Audit department. Significant observations of the Internal Auditors are deliberated in the meeting of Audit Committee of Directors of the Company for continuous improvement in the Internal Control Systems.

13. Credit Rating

Information regarding credit rating during the financial year 2024-25 is provided in the Board's Report.

14. Risk Management Policy

Company has put in place a Risk Management Policy covering the various risks to which the Company is exposed; Quarterly Risk Review Report on Risk Management is placed before the Risk Management Committee, Audit Committee and Board of Directors. Impact of major risks and the action taken to obviate the same on short term and long term basis is deliberated by the Risk Management Committee, Audit Committee and Board of Directors.

15. Legal Compliances

Company Secretary apprised the Board every quarter of the statutory and other mandatory legal compliances. Board is also apprised of the notices received from various statutory authorities during each quarter and the remedial action taken by the Company to meet those requirements.

16. Integrity Pact

With the commitment to maintain the highest standard of transparency and governance, your Company has entered into an integrity Pact with Transparency International and has also appointed Independent External Monitors (IEMs), as nominated by CVC. Structured Meetings are held with IEMs on regular intervals and threshold value is Rs. 1 crore for signing of Integrity Pact for purchase/works contracts.

17. Agreements binding on Company

The Company has not entered into any agreements during the year which is required to disclose under clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations.

18. Code of Insider Trading

Board of Directors has laid down "The Code of Conduct for Regulating & Reporting Trading by Designated Persons & their Immediate Relatives for National Fertilizers Limited" with the objective of preventing purchase and/or sale of shares of the company by an insider on the basis of unpublished price sensitive information. Under this Code, insiders (Designated Persons, Designated employee and their immediate relatives) are prevented to deal in the Company's shares during the closure of Trading Window. To deal in Securities, beyond limits specified, permission of the Compliance officer is required. All Directors/ Officers/ Designated Employees/ Designated Person and their immediate relatives are also required to disclose related information periodically as defined in the Code. Connected Persons are also intimated regarding the closure of trading window and to ensure the compliance of the Code.

Company Secretary has been designated as Compliance Officer for this Code. The code is also available on the website of the company at www.nationalfertilizers.com.

19. Code of Conduct for Board Members and Senior Management Personnel

The Company has adopted "Code of Conduct for Board Members and Senior Management Personnel" of the Company. The object is to conduct the Company's business ethically and with responsibility, integrity, fairness, transparency and honesty. The Code is available on the Company's website www.nationalfertilizers.com. All Directors and Senior Management Personnel have complied with the Code of Conduct.

20. Declaration

Under Schedule V (D) of SEBI (LODR) Regulations, 2015

This is to certify that in line with the requirements of Schedule V (D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; all the Members of the Board and Senior Management Personnel have affirmed compliance of the Code of Conduct for the financial year ended on 31st March, 2025.

(Dr. U. Saravanan)
Chairman & Managing Director
DIN: 07274628

21. Compliance Certificate of the Secretarial Auditors

Certificate from the Company's Secretarial Auditor Mr. Naresh Kumar Sinha, Proprietor of M/s Kumar Naresh Sinha & Associates, Company Secretaries confirming compliance with the conditions of Corporate Governance as stipulated under LODR is attached to the Board's Report forming part of the Annual Report.

22. Compliances with Corporate Governance Code

NFL believes in maximum transparency and benchmarks disclosures as required under various laws / regulations.

Department of Public Enterprises has issued Corporate Governance Guidelines applicable to Government Companies. These guidelines focus on various areas such as Board and its responsibilities, functions, roles and responsibilities of the Audit Committee etc. Company ensures compliance of these guidelines.

SEBI (LODR) Regulations, 2015 prescribes various corporate governance compliances. These regulations have become effective from 1st December, 2015. Company as a policy, makes all efforts to ensure compliance of provisions relating to Corporate Governance prescribed under the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and DPE Guidelines.

For and on behalf of the Board of Directors

Registered Office:
Scope Complex, Core-III,
7, Institutional Area, Lodhi Road,
New Delhi-110003

(Dr. U. Saravanan)
Chairman & Managing Director
DIN : 07274628

Date : 29th August, 2025

ANNEXURE TO THE CORPORATE GOVERNANCE REPORT: SKILLS, EXPERTISE AND COMPETENCIES OF BOARD OF DIRECTORS

NFL believes that it is the collective effectiveness of the Board that impacts the Company's performance and therefore members of the Board amongst themselves should have a balance of skills, experience and diversity of perspectives appropriate to the Company.

Given the Company's size, scale and nature of its businesses, the Board possesses the following skills, expertise and competencies:

(i) Organizational Purpose

Ability to comprehend the socio-economic, political, regulatory and competitive environment in which the Company is operating and insight to identify opportunities and threats for the Company's businesses. Ability to contribute towards creating an inspiring Vision for the Company with super ordinate societal goals and appreciate the Company's philosophy of building synergy between serving the society and creating economic value for the Company.

(ii) Strategic Insight

Ability to evaluate competitive corporate and business strategies and based thereon, contribute towards progressive refinement of the Company's strategies for fulfilment of its goals. Ability to comprehend strategy of organisation in the context of its unique sources of competitive advantage and assess its strengths and weaknesses.

(iii) Organisational Capacity Building

Acumen to evaluate organisational capacity and readiness across relevant parameters and provide guidance on bridging gaps in capacity building. Ability to understand the talent market and the Company's talent quotient so as to help fine-tune strategies to attract, retain and nurture competitively superior talent. Ability to appreciate and critique the need for in-depth specialization across business critical areas such as manufacturing, marketing, technical, legal, information technology etc., as well as the breadth of general management capabilities.

(iv) Stakeholder Value Creation

Ability to understand processes for shareholder value creation and its contributory elements and critique interventions towards value creation for the other stakeholders.

(v) Commercial Acumen

Commercial acumen to critique the Company's financial performance and evaluate the Company's strategies and action plans in the context of their financial outcomes.

(vi) Risk Management and Compliance

Ability to appreciate key risks impacting the Company's businesses and contribute towards development of systems and controls for risk mitigation & compliance management and review and refine the same periodically.

(vii) Policy Evaluation

Ability to comprehend the Company's governance philosophy and contribute towards its refinement

periodically. Ability to evaluate policies, systems and processes in the context of the Company's businesses and review the same periodically.

(viii) Culture Building

Ability to contribute to the Board's role towards promoting an ethical organizational culture, eliminating conflict of interest and setting & upholding the highest standards of ethics, integrity and organizational conduct.

(ix) Board Cohesion

Ability to comprehend the statutory roles and responsibilities of a Director and of the Board as a whole. Ability to encourage and sustain a cohesive working environment and to listen the multiple views and thought processes and synergize a range of ideas for organizational benefit.

Given below is a list of core skills, expertise and competencies of the Individual Directors:

S. No.	Director (S/Shri)	SKILLS, EXPERTISE AND COMPETENCIES								
		Organisational Purpose	Strategic Insight	Organisational Capacity Building	Stakeholder Value Creation	Commerci -al Acumen	Risk Management and Compliance	Policy Evaluation	Culture Building	Board Cohesion
1	Dr. U. Saravanan	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	Hira Nand	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	Rajan Kanwar	✓	✓	✓	✓	✓	✓	✓	✓	✓
4	Mahesh Chander Gupta	✓	✓	✓	✓	✓	✓	✓	✓	✓
5	Neeraja Adidam	✓	✓	✓	✓	✓	✓	✓	✓	✓
6	Bharat Bhushan	✓	✓	✓	✓	✓	✓	✓	✓	✓
7	Dr. Prathibha A.	✓	✓	✓	✓	✓	✓	✓	✓	✓
8	Dr. Poonam Sharma	✓	✓	✓	✓	✓	✓	✓	✓	✓
9	Ritesh Tiwari	✓	✓	✓	✓	✓	✓	✓	✓	✓
10	Kashi Ram Godara	✓	✓	✓	✓	✓	✓	✓	✓	✓
11	Dr. Venkata Sarvarayudu Thota	✓	✓	✓	✓	✓	✓	✓	✓	✓
12	Jyoti Bhramar Tubid	✓	✓	✓	✓	✓	✓	✓	✓	✓

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER UNDER SCHEDULE II PART B OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We, Dr. U. Saravanan, Chairman and Managing Director and Hira Nand, Director (Finance) and Chief Financial Officer certify that:

a) We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2025 and to the best of our knowledge and belief:

   i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions are entered into by the company during the year ended 31st March, 2025 which are fraudulent, illegal or in violation of the Company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the auditors and the Audit Committee

   1. Significant changes in internal control over financial reporting during the year ended 31st March, 2025;

   2. Significant changes in accounting policies during the year ended 31st March, 2025 and that the same have been disclosed in the notes to the financial statements; and

   3. We have not come across any instance during the year ended 31st March, 2025 of any significant fraud and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

(Hira Nand)
Director (Finance) and
Chief Financial Officer
DIN: 09476034

(Dr. U. Saravanan)
Chairman & Managing Director
DIN:07274628

Registered Office:
Scope Complex, Core-III,
7, Institutional Area, Lodhi Road,
New Delhi –110003.
Date: 30th May, 2025

Annexure-4

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE FOR THE FY 2024-25

To,
The Members,
NATIONAL FERTILIZERS LIMITED (NFL)

1. We have examined the compliance of conditions of Corporate Governance by National Fertilizers Limited [CIN:L74899DL1974GOI007417] ("the Company"), for the year ended on March 31, 2025, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and as stipulated in the guidelines of Department of Public Enterprises (DPE) on Corporate Governance for Central Public Sector Undertakings issued in May 2010.

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

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the Listing Regulations and DPE guidelines on Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

4. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the SEBI Listing Regulations and DPE guidelines on Corporate Governance during the year ended March 31, 2025 subject to the following:

   - The Company did not have requisite number of independent directors including at least one independent woman director on its Board as required under Regulation 17(1) of SEBI (LODR) Regulations, 2015 with effect from 12.11.2024.

   - The Company did not have at least two independent director in its quorum of Audit Committee Meeting as required under Regulation 18(2) of SEBI (LODR) Regulations, 2015 for the meetings held after 30.11.2024.

   - The Composition of Audit Committee, Nomination and Remuneration Committee, was not as per Regulation 18(1), Regulation 19(1) of SEBI (LODR) Regulations, 2015, respectively, with effect from 30.11.2024.

   - The performance evaluation of Independent Directors has not been done by the entire Board of Directors.

   - The Nomination and Remuneration Committee has not:

     i. formulated the criteria for determining qualifications, positive attributes and Independence of a director and recommend to the Board of Directors, a policy relating to the remuneration of the directors, key managerial personnel and other employees;

ii. formulated criteria for evaluation of performance of Independent Directors and the Board of Directors.

- In absence of requisite number of Independent Directors, the Company could not comply with clause 3.1.2 (with effect from 11.03.2025), 3.1.4 (with effect from 12.11.2024), 4.1.1 (with effect from 30.11.2024), 4.4 (for Audit Committee Meeting held on 10.02.2025) and 5.1 of DPE Guidelines on Corporate Governance regarding constitution of Board and Committees.

We further report that,

1. The appointment of Chairperson, Functional Directors, Part-time Official Directors as well as Part-time non- Official Directors (Independent Directors) on the Board of NFL is made by Government of India (GOI). Further, terms & conditions of appointment as well as tenure of all directors are also decided by GOI and there is a well laid down procedure for evaluation of performance of Chairperson and Functional Directors and Independent Directors by Administrative Ministry.

2. 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.

Place: Noida
Date: 11.07.2025

For Kumar Naresh Sinha & Associates
Company Secretaries

CS Naresh Kumar Sinha
(Proprietor)
FCS: 1807, CP No.: 14984
PR: 6220/2024
FRN: S2015UP440500
UDIN: F001807G000757463

Management's Explanation to the Observations of Secretarial Auditor on Corporate Governance Certificate for the Financial Year 2024-25

Sr.No.	Secretarial Auditors' Observations	Management's Explanation
01.	The Company did not have requisite number of independent directors including at least one independent woman director on its Board as required under Regulation 17(1) of SEBI (LODR) Regulations, 2015 with effect from 12.11.2024.	The Company complies with the applicable provisions of Listing Regulations from time to time. National Fertilizers Limited (NFL) is a Government Company under the administrative control of the Department of Fertilizers (DoF), Government of India (GOI). The Directors including Independent Directors of the Company are appointed by the GOI. The Company has no control over the appointment of Independent Directors and we have requested DoF from time to time well in advance for appointment of Independent Director on the Board of the Company to meet the sanctioned strength of Non-Official Independent Directors. It is pertinent to mention that the Company has been taking up regularly the issue with Department of Fertilizer (DoF), Government of India for appointment of adequate number of Independent Directors to comply with Regulation 17(1). Further, (DoF) has appointed Three Independent Director on the Board of NFL including one Independent Woman Director in the month of May 2025.
02.	The Company did not have at least two independent director in its quorum of Audit Committee Meeting as required under Regulation 18(2) of SEBI (LODR) Regulations, 2015 for the meetings held after 30.11.2024.	The Company complies with the applicable provisions of Listing Regulations from time to time. National Fertilizers Limited (NFL) is a Government Company under the administrative control of the Department of Fertilizers (DoF), Government of India (GOI). The Directors including Independent Directors of the Company are appointed by the GOI. The Company has no control over the appointment of Independent Directors and we have requested DoF from time to time well in advance for appointment of Independent Director on the Board of the Company to meet the sanctioned strength of Non-Official Independent Directors. NFL was compliant with regulation 18(2) upto 29.11.2024 and consequent upon completion of tenure of Independent Director w.e.f. 30.11.2024 it became non-compliant.

Sr.No.	Secretarial Auditors' Observations	Management's Explanation
		It is pertinent to mention here that consequent upon appointment of two Independent Directors on the Board of NFL w.e.f. 05.05.2025, NFL became compliant of Regulation 18.
03.	The Composition of Audit Committee, Nomination and Remuneration Committee, was not as per Regulation 18(1), Regulation 19(1) of SEBI (LODR) Regulations, 2015, respectively, with effect from 30.11.2024.	The Company complies with the applicable provisions of Listing Regulations from time to time. National Fertilizers Limited (NFL) is a Government Company under the administrative control of the Department of Fertilizers (DoF), Government of India (GOI). The Directors including Independent Directors of the Company are appointed by the GOI. The Company has no control over the appointment of Independent Directors and we have requested DoF from time to time well in advance for appointment of Independent Director on the Board of the Company to meet the sanctioned strength of Non-Official Independent Directors. NFL was compliant with regulation 18(1)/ 19(1) upto 29.11.2024 and consequent upon completion of tenure of one Independent Director w.e.f. 30.11.2024 it became non-compliant. It is pertinent to mention here that consequent upon appointment of two Independent Directors on the Board of NFL w.e.f. 05.05.2025, NFL became compliant of Regulation 18(1) and 19(1).
04 .	The performance evaluation of Independent Directors has not been done by the entire Board of Directors.	(a) Regulation 17(10) of SEBI (LODR) Regulations, 2015 requires the performance evaluation of Independent Directors to be done by the entire Board of Directors to decide their continuance or otherwise. However, the MCA vide its notification dated 5th June, 2015 notified exemptions applicable to Government Companies from the provisions of the Companies Act, 2013 which inter- alia provides that Sub Sections (2), (3) & (4) of Section 178 regarding appointment, performance evaluation and remuneration shall not apply to Directors of the Government Companies. (b) Further MCA vide notification dated 5th June, 2015 has also notified that in case of Government Companies Section 134(3) (p) of the Companies Act, 2013 shall not apply in case the Directors are evaluated by the Ministry or department of the

Sr.No.	Secretarial Auditors' Observations	Management's Explanation
		Central Government which is administratively in charge of the Company. (c) The appointment of Chairperson, Functional Directors, Part-time Official Directors as well as Part-time Non-Official Directors (Independent Directors) on the Board of NFL is made by the Administrative Ministry i.e. Ministry of Chemicals and Fertilizers, GOI. Further, terms & conditions of appointment as well as tenure of all Directors are also decided by GOI and there is a well laid down procedure for evaluation of performance of Chairperson, Functional Directors and Independent Directors by Administrative Ministry. (d) Performance evaluations to which the Government Companies and their Directors are subjected to are as follows: i. All the Functional Directors (through C&MD) and C&MD are accountable to the Board and the Administrative Ministry. ii. For monitoring the performance of the Company, a performance Memorandum of Understanding (MoU) is entered between the Company through C&MD of the respective Company and the Administrative Ministry through Secretary of the Ministry. This MoU is discussed by Department of Public Enterprises, Niti Aayog, Ministry of Statistics & Programme Implementation and the Administrative Ministry officials. Targets are set for various MoU parameters. The performance of the Company vis-à-vis MoU indicates the overall performance of the Board and individual Directors. Performance of the Company is reviewed on quarterly basis through Quarterly Review Meetings by the Administrative Ministry, where detailed deliberations are held with respect to various administrative parameters. iii. Performance of the Company is also evaluated by Department of Public Enterprises annually by assigning performance ratings to the Company on the MoU parameters. In evaluating the performance of the General Managers, Executive Directors, Functional Directors and C&MD major weightage is given to MoU rating. Variable pay of Functional Directors is regulated on performance of the Company w.r.t. MoU parameters.

Sr.No.	Secretarial Auditors' Observations	Management's Explanation
		iv. Annual performance appraisal of the C&MD and Functional Directors is reviewed by the Secretary of the Administrative Ministry and accepted by Concerned Minister. v. Tenure of Functional Directors, C&MD and Independent Directors are fixed by Government of India. Their tenures are further extendable on performance review by the Administrative Ministry. vi. All the Government Companies are also subject to regular review by various Parliamentary Committees on different subjects. vii. In view of the above and performance evaluation mechanism already in place, the performance evaluation of the Chairperson, Functional Directors and Part-time Non-Official Directors (Independent Directors) was not carried out. In view of the above exemption, no performance evaluation of the Independent Directors was required to be carried out.
05.	The Nomination and Remuneration Committee has not: i. formulated the criteria for determining qualifications, positive attributes and Independence of a director and recommend to the Board of Directors, a policy relating to the remuneration of the directors, key managerial personnel and other employees; ii. formulated criteria for evaluation of performance of Independent Directors and the Board of Directors.	Same as explanation provided in Sr. No. 04.
06.	In absence of requisite number of Independent Directors, the Company could not comply with clause 3.1.2 (with effect from 11.03.2025), 3.1.4 (with effect from 12.11.2024), 4.1.1 (with effect from 30.11.2024), 4.4 (for the Audit Committee Meeting held on 10.02.2025) and 5.1 of DPE Guidelines on Corporate Governance regarding constitution of Board and Committees.	The Company has been compliant with the guidelines on Corporate Governance issued by Department of Public Enterprises (DPE) from time to time. National Fertilizers Limited (NFL) is a Government Company under the administrative control of the Department of Fertilizers (DoF), Government of India (GOI). The Directors including Independent Directors of the Company are appointed by the GOI.

Sr.No.	Secretarial Auditors' Observations	Management's Explanation
		The Company has no control over the appointment of Independent Directors and we have requested DoF from time to time well in advance for appointment of Independent Director on the Board of the Company to meet the sanctioned strength of Non-Official Independent Directors. It is pertinent to mention that the Company has been taking up regularly the issue with Department of Fertilizer (DoF), Government of India for appointment of adequate number of Independent Directors to comply with DPE guidelines on Corporate Governance. Further, (DoF) has appointed Three Independent Director on the Board of NFL including one Independent Woman Director in the month of May 2025.

Registered Office:
Scope Complex, Core-III,
7, Institutional Area, Lodhi Road,
New Delhi-110003.
Date: 29th August, 2025

For and on behalf of the Board of Directors

(Dr. U. Saravanan)
Chairman & Managing Director
DIN: 07274628

Annexure-5

Annual Report on Corporate Social Responsibility Activities

1) Brief Outline on CSR Policy of the Company

In alignment with the vision of the company, NFL, through its CSR initiatives, will continue to enhance value creation in the society and in the community in which it operates, through its products, services, conduct & initiates, so as to promote sustained growth for the society and community, in fulfillment of its role as a Socially Responsible Corporate, with concern for ecology. Towards this commitment, the Company shall:

a) Increase efficiency by optimum utilization of resources and technology.

b) Promote sustainable farming practice to boost crop productivity in rural India through its soil testing facilities and other advisory services.

c) Continue to take up wide range of welfare activities mainly focusing on economically, socially and environmentally sustainable development of underdeveloped villages.

d) Work towards improving the quality of life by making the communities self-reliant in areas within which it operates.

e) Build lasting social capital through interventions in the infrastructure, healthcare, education, vocational domains and other social welfare initiatives for the community residing in the vicinity of its plants and other places in India.

f) Ensure welfare, growth and safety of all people associated with the Company.

g) Build a sustainable enterprise that effectively balances financial strengths with social and environmental responsibilities.

h) Undertake activities contributing towards improving the quality of life of underdeveloped sections of society at large.

i) Facilitate development by maintaining a healthy relation between People, Planet and Profit.

j) To take into consideration the guidelines and instructions issued by Government of India regarding theme, thrust area etc.

2) Composition of CSR Commitee as on 31.03.2025

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Dr. Poonam Sharma*	Chairperson /Independent Director	2	2
2.	Dr. U. Saravanan	Member/C&MD	2	2
3.	Shri Hira Nand	Member/Director (Finance)	2	2
4.	Shri Ritesh Tiwari*	Member/Independent Director	2	2
5.	Shri Kashiram Godara*	Member/Independent Director	2	2
6.	Shri Jyoti Bhramar Tubid#	Chairperson/Member/ Independent Director	2	1

* Dr. Poonam Sharma, Shri Ritesh Tiwari and Shri Kashiram Godara have ceased to be Non Executive Independent Directors due to completion of their tenure w.e.f. 12.11.2024.

Shri Jyoti Bhramar Tubid has been appointed as Chairperson of Committee w.e.f. 12.11.2024. He has ceased to be Non Executive Independent Director due to completion of his tenure w.e.f. 20.04.2025. Further, consequent upon his appointment as Non Executive Independent Director on the board, he was inducted as member w.e.f. 05.05.2025.

3) Weblinks:

CSR Committee:

https://www.nationalfertilizers.com/wp-content/uploads/2025/07/Committees-composition-15.07.2025.pdf

CSR Policy:

https://www.nationalfertilizers.com/wp-content/uploads/2023/02/Updated-NFL-CSR-Policy-August-2023.pdf

CSR Projects approved by the Board:

https://www.nationalfertilizers.com/wp-content/uploads/2025/05/List-of-CSR-Project-FY-2024-25.pdf

4) **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).**

No impact assessment was conducted as the CSR projects of the Company do not have 10 crore of average CSR obligation in the last 3 years.

5)

a)	Average net profit of the company as per sub-section (5) of section 135	:	Rs.28353.00 Lakh
b)	Two percent of average net profit of the company as per section 135(5)	:	Rs.567.06 Lakh
c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	:	Nil
d)	Amount required to be set off for the financial year, if any	:	Nil
e)	Total CSR obligation for the financial year (5a+5b- 5c)	:	Rs.567.06 Lakh

6)

a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	:	Rs.680.55 Lakh
b)	Amount spent in Administrative Overheads	:	Nil
c)	Amount spent on Impact Assessment, if applicable	:	Nil
d)	Total amount spent for the Financial Year (6a+6b+6c)	:	Rs.680.55 Lakh
e)	CSR amount spent or unspent for the financial year 2024-25	:	

Total Amount Spent for the Financial Year (Rs. in Lakh)	Amount Unspent (Rs. in Lakh)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
680.55	-	-	-	-	-

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

Sl.No.	Particular	Amount
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub section (5) of section 135	Rs.567.06 Lakh
(ii)	Total amount spent for the Financial Year	Rs.680.55 Lakh
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Rs.113.49 Lakh
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Rs.113.49 Lakh

7) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (Rs. in Lakh)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (Rs. in Lakh)	Amount spent in the reporting Financial Year (Rs. in Lakh)	Amount transferred to any fund specified under Schedule VII as per sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding financial years (Rs. in Lakh)	Deficiency, if any
					Amount (Rs. in Lakh)	Date of transfer		
1	2023-24	47.95	47.95	-	-	-	47.95	Nil
2	2022-23	131.63	38.14	5.44	12.70*	-	20.00	
3	2021-22	125.21	75.11	4.70	70.41**	29.04.25	0.00	
	TOTAL	**304.79**	**161.20**	**10.14**	**83.11**		**67.95**	

* The amount will be transferred to specified fund before due date i.e. 30.09.2025
** The amount has been transferred to PMNRF

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

No capital asset was created / acquired for FY 2024-25 through CSR spending.

9) Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135.

Not Applicable.

For and on behalf of the Board of Directors

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Date: 29th August, 2025

(Shri Rabi Ranjan Sen)
Chairperson CSR & SD Committee
DIN: 09400040

(Dr. U. Saravanan)
Chairman & Managing Director
DIN: 07274628

Annexure-6

FORM-A

Disclosure of Particulars with Respect to Conservation of Energy (Annexure to Board's Report)

			2024-25	2023-24
A. POWER & FUEL CONSUMPTION				
1. ELECTRICITY				
a)	**Purchased**			
	Unit	Mwh	55538	100431
	Total amount	₹ in Lakh	5736	8792
	Average rate/Unit	₹/Mwh	10327	8754
b)	**Own Generation**			
	i) Through diesel generator Unit			
	Unit	Mwh	3.424	13.103
	Unit per ltrs. of diesel oil	Mwh/ltrs	0.002	0.003
	Cost/Unit	₹/Mwh	178852	486064
	ii) Through Steam Turbine/Gas Turbine			
	Unit	Mwh	676977	607869
	Coal/unit of Power	MT/Mwh	0	0
	Gas/unit of Power	000sm^3/Mwh	0.176	0.185
	Cost per Unit	₹/Mwh	9744	10293
	iii) From Waste Steam	Mwh	-	-
2.	**COAL(Specify quality & where used) (Slack coal used for operating boilers)**			
	Quantity	MT	440206	403072
	Total cost	₹ in Lakh	31373	27847
	Average rate	₹/MT	7127	6909
3.	**OTHER/INTERNAL GENERATION**			
	Natural Gas			
	Quantity 000M^3	000sm^3	336951	405607
	Total cost (₹/Lakh)	₹ in Lakh	155719	193911
	Rate/Unit (₹)	₹/000sm^3	46214	47808
4.	**CONSUMPTION PER UNIT OF PRODUCTION**			
	i) Electricity	Mwh	0.197	0.192
	ii) Coal	MT	0.119	0.109
	iii) Gas	000M^3	0.091	0.110

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Date: 29th August, 2025

For and on behalf of the Board of Directors

(Dr. U. Saravanan)
Chairman & Managing Director
DIN: 07274628

Annexure-6

FORM-B
Disclosure of Particulars with Respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earning & Outgo

A. Energy Conservation Measures

NFL is committed to work towards reduction in energy consumption. Steps taken during the year 2024-25 resulted in energy savings can be listed as follows:

i. Advance Process Control (APC) was installed at Vijaipur line-II in 2022-23 leading to a saving of 0.02 Gcal/MT urea. On similar lines APC has been installed at Vijaipur line-I and its PGTR conducted in April 2025, with energy saving to the tune of 0.01 Gcal/MT Urea. Nangal Unit is also going to install APC in 2025-26. NIT to be issued shortly.

ii. NFL has installed rooftop solar power plants with a total capacity of 480 KW (300 KW at Vijaipur, 90 KW at Corporate Office and 90 KW at Bathinda Unit). The solar power generated is utilized for township and school lighting at the units and office building at the Corporate Office. In 2024-25, the systems generated 394 units of electricity. Additionally, NFL is exploring the installation of rooftop solar power plants at Nangal and Panipat units to harness solar energy for non-critical areas.

iii. Steam turbine drives of Boiler Feed Water (BFW) pumps at Bathinda & Panipat units are being replaced with motor. Orders have been placed for both the sites and motor is likely to be installed by late 2025. Estimated energy reduction from above scheme is top the tune of 0.025 Gcal/MT urea at each plant.

iv. The Panipat unit replaced its old urea reactor with a new tray-type reactor in September 2024, featuring improved conversion efficiency. This upgrade is expected to reduce complex downtime, boost productivity and ensure smoother plant operations.

v. A proposal to replace the existing coal-fired boiler with a Natural Gas-based boiler (owing to instructions of SPCBs for conversion of coal fired boilers to cleaner fuel), matching its capacity, has been in-principle approved. This change could result in an energy reduction of 0.10 Gcal/MT urea produced.

vi. An order has been placed with M/s ABB India Ltd., for the Urea Distributed Control System (DCS) and Emergency Shutdown System (ESD) for Bathinda, Panipat and Nangal units. The system's engineering design is underway, along with procurement of field instruments. Implementation is expected by the end of 2025. This renovation will enhance smooth operation, plant stability and overall efficiency.

In addition to above, Nangal, Bathinda, Vijaipur & Panipat Units have been certified with Energy Management System (ISO 50001:2018) certification.

B. Technology Absorption

- M/s HTAS, the Ammonia Process Licensor conducted a study on the ammonia synthesis section of the ammonia plants at Bathinda, Panipat and Nangal units. Based on their findings, they recommended proprietary changes and renovation schemes to reduce energy consumption by 0.15-0.25 Gcals/MT urea. As part of the implementation plan, the revamp of Synthesis Gas Compressors and their turbine drives is being undertaken as the first phase across all three units.

- **Use of super cup trays in urea reactor:** Vijaipur Unit has procured two number of new urea reactors with improved super cup tray design. The super cup design will allow higher conversion and improved reactor efficiency leading to a saving of about 70-80 TPH of medium pressure steam per reactor. Same shall be replaced during next ATA or one by one during any available opportunity.
- **Installation of DCS (Distributed Control System) in Urea Plants of Nangal, Bathinda & Panipat:** To improve instrumentation & process control system in Urea plants of Nangal, Bathinda & Panipat, installation of DCS (Distributed Control System) has been considered and procurement action has been initiated.
- **Replacement of existing S-200 Ammonia converter with S-300 Ammonia converter at Vijaipur 1:** Existing S-200 ammonia converter basket in Vijaipur 1 has already outlived its life and needs to be replaced. Latest upgraded and more energy efficient S-300 Converter has been procured and procurement of its pressure shell is under process. The new converter basket and catalyst have reached site and shall be replaced after procurement of pressure shell.

C. Foreign Exchange Earnings/Outgo

The Foreign Exchange earned in terms of actual inflows during the year were ₹1.82 crore and the Foreign Exchange outgo during the year in terms of actual outflow amounted to ₹2999.50 crore.

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Date: 29th August, 2025

For and on behalf of the Board of Directors

(Dr. U. Saravanan)
Chairman & Managing Director
DIN: 07274628

Annexure-7

Report on Safety, Environment and Sustainable Development

Inclusive and sustainable development is the need of the hour in view of increasing climatic changes and rising disparities in the society at large. Company has taken various initiatives for adopting best practices for health, safety and environment management, energy conservation and social up-liftment of society.

Health, Safety And Environmental Consciousness

Company strives to achieve excellence in improving employees occupational and personal health by minimizing health hazards and providing model facilities. Company has well equipped hospitals at all units. In addition to that the employees have also access to specialized medical services wherever required. Periodic medical examinations and health check-up of all employees is being done as per occupational health policy.

Company remained focused towards achieving Sustained energy-efficient operations of its manufacturing facilities while maintaining pollution-free environment and process safety. All manufacturing units continue to be ISO 9001-2015, ISO 14001-2015 and ISO 45001-2018 certified which indicate Company's commitment to quality, Environment and Occupational Health and Safety.

To tackle climate change, company remained focused towards achieving a low carbon footprint, reducing emission level and effluent discharge from the units. All the units have installed on-line monitoring system both for effluent and emission discharge. On-line monitoring systems are already integrated with Central and State Pollution Control Boards in order to monitor the level of pollutants on continuous real time basis.

Quarterly review meetings are conducted on regular basis at all units to review Safety, Health & Environment related issues. Further, inter-unit Quarterly EHS meeting is also held for sharing the knowledge and experiences related to SHE. Modern methods and latest technologies based on 'Hazard and Operability Study' have been implemented in all units to improve process safety. For updating the knowledge of employees, regular training programs are conducted at units. Employees are also sent to attend Safety programs organised by expert agencies.

To safeguard the plants from emergencies like Fire, Explosion and Toxic gases, “On-site & Off-site Emergency Disaster Management Plan” is available in the units. These plans aim to train people and act efficiently and confidently in an emergency with minimum damage to humans and assets. The procedures are regularly reviewed and updated by the company. Mock drills are conducted regularly. Performance of each mock drill is evaluated and reviewed to bring improvements in the system. All units of NFL are also the member of Mutual aid group with their neighbouring industries to handle any emergency situation that may arise in future. Visits of local Authorities and central agencies such as National Disaster Management Authority are regularly conducted in order to remain updated on safety related issues in all the plants. All the units are having their “Disaster Management Quick Response Team” to address the incidents that may occur outside the factory area for transportation of liquid Ammonia, Chlorine Gas and Ammonium Nitrate.

Third party Safety audit of all the units is conducted annually and observations of the auditor are compiled at the earliest.

NFL has registered itself as “Brand Owner” under the Plastic Waste Management Rule and has collected & recycled around 16322 MT of plastic waste from various states of the country in the FY 2024-25 as an Extended Producer Responsibility of the organization under the rules. Apart from this, single use plastic has been restricted at all units and offices of NFL in accordance to the guidelines of the rule.

Afforestation and Rain Water Harvesting

To protect, restore and promote ecosystem, afforestation has been adopted in all units, to improve the environment surrounding the Units. A total of 10120 tree saplings were planted in and around various units during FY 2024-25 for cleaner and greener earth for future generation. The cumulative plantation since commencement is about 8.95 lakhs for all the units.

All units of NFL have installed Rain Water Harvesting System to increase the sub soil water level. This would help in conservation of water, increase in underground water table and increase greenery in the surroundings.

Use of Cleaner Fuel

Company is committed to promote ecologically sustainable growth by utilizing cleaner fuel i.e. Natural Gas for Power generation. In this respect, Vijaipur unit since commissioning is utilizing Natural Gas for its Captive power generation. In an attempt to reiterate its commitment towards utilization of green power, NFL has installed GTG (Gas Turbo Generator) along with Heat Recovery Steam Generation (HRSG) at Nangal, Bathinda & Panipat units. The GTG-HRSG projects have been commissioned & put in its commercial operation at all the three units in FY 2021-22. After successful commissioning of GTG-HRSGs, these units are now operating with reduced energy consumption and thus lower CO_2 emission.

Further, to ensure affordable, reliable, sustainable and modern energy for the community, solar street lights have been installed in nearby villages of all NFL units.

All the conventional lights at all the units and Corporate Office have been converted in to LED lights.

Use of Solar Power

NFL has installed and commissioned roof top solar power plants of 90 KW at Bathinda and Corporate Office and 300KW roof top solar power plant successfully installed at Vijaipur unit in FY 2023-2024.

Development of Sustainable Product

Neem Coated Urea:

During FY 2024-25 the total production of Neem Coated Urea was 37.14 lakh MT. Neem Coated Urea is useful for slow release of Nitrogen in soil as compared to normal Urea. Further, it acts as a bio-pesticide for crops.

Manufacturing of Bio-Fertilizers:

Bio-Fertilizers more commonly known as microbial inoculants are artificially multiplied culture of certain soil organisms that can improve soil fertility and crop productivity. Besides accessing nutrients, bio-fertilizers control soil borne diseases and improve the soil health and soil properties. Bio-fertilizers help in effective use of Chemical Fertilizers for higher yields.

Company was earlier producing three types of bio-fertilizers in both powder and liquid base i.e. Rhizobium, Azectobactor and PSB. However, company has now introduced a fourth strain Zinc Solubilizing Bacteria (ZSB). To increase the shelf life of Bio-Fertilizers, NFL is gradually shifting from Powder Bio-Fertilizers to Liquid Bio-Fertilizers. This has resulted in less use of lignite, which is used as a carrier for Powder Bio-Fertilizers. This has also resulted in lesser use of Natural resources. During the FY 2024-25, the sale of Liquid & Powder Bio-Fertilizers was 546.80 MT.

Compost Fertilizer from City Garbage:

NFL is committed to Government of India's dream of Swachh Bharat Mission by sale of 26403.55 MT of city compost sourced from manufacturers located in various states during the FY 2024-25. Beside this Vijaipur unit of NFL produces compost from the bio-degradable waste and is being used as environment friendly manure within the unit premises in horticulture. City Compost is a soil conditioner which is produced out of bio-degradable waste. Compost from city garbage would not only provide carbon and primary/secondary nutrients to soil but also help in keeping the city clean. Use of City Compost is also undertaken by NFL in the adopted villages in the states of Haryana and Madhya Pradesh. NFL is further working to increase trading business in this field.

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7, Institutional Area, Lodhi Road,
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Date: 29th August, 2025

For and on behalf of the Board of Directors

(Dr. U. Saravanan)
Chairman & Managing Director
DIN: 07274628

Annexure-8

Form MBP 2

(2024-25)

Particulars of Loans, Guarantee, Security and Acquisition made by the Company [Pursuant to Section 186(9) of the Companies Act, 2013 & Rule 12(1) of the Companies (Meetings of Board and its Powers) Rules, 2014]

Nature of transaction (whether loan/ guarantee/ security/ acquisition)	Date of making loan/ acquisition/ giving guarantee/ providing security	Name and address of the person or body corporate to whom it is made or given or whose securities have been acquired (Listed/Unlisted entities)	Amount of loan/ security/ acquisition/ guarantee	Time period for which it is made/ given	
(1)	(2)	(3)	(4) [in (₹)]	(5)	
-	-	-	-	-	
Purpose of loan/ acquisition/ guarantee/security	**% of loan/ acquisition/ exposure on guarantee/security provided to the paid up capital, free reserves and securities premium account and % of free reserves and securities premium**	**Date of passing Board Resolution**	**Date of passing Special Resolution, if required**	**For loans**	
				Rate of interest	**Date of maturity**
(6)	(7)	(8)	(9)	(10)	(11)
-	-	-	-	-	-
For acquisitions					
Number and kind of securities	**Nominal value and paid up value**	**Cost of acquisition (in case of securities how the purchased price was arrived at)**	**Date of selling of investment**	**Selling price (how the price was arrived at)**	**Signatures and Remarks**
(12)	(13)	(14)	(15)	(16)	(17)
-	-	-	-	-	-

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Date: 29th August, 2025

For and on behalf of the Board of Directors

(Dr. U. Saravanan)
Chairman & Managing Director
DIN: 07274628

Annexure-9

Form AOC-1(2024-25)
(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 ₹)

Sr. No.	Particulars	Details
01.	Name of the subsidiary	N.A.
02.	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	N.A.
03.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
04.	Share capital	N.A.
05.	Reserves & surplus	N.A.
06.	Total Assets	N.A.
07.	Total Liabilities	N.A.
08.	Investments	N.A.
09.	Turnover	N.A.
10.	Profit before taxation	N.A.
11.	Provision for taxation	N.A.
12.	Profit after taxation	N.A.
13.	Proposed Dividend	N.A.
14.	% of shareholding	N.A.

Notes:	1. Names of subsidiaries which are yet to commence operations	N.A.
	2. Names of subsidiaries which have been liquidated or sold during the year.	N.A.

Annexure-9

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/ Joint Ventures	Ramagundam Fertilizers and Chemicals Limited (RFCL)	Urvarak Videsh Limited (UVL) has got the status of Dormant Company under Companies Act w.e.f. 4th November, 2015.
1. Latest Audited Balance Sheet Date	31.03.2025	31.03.2025
2. Shares of Associate/Joint Ventures held by the Company on the year end No.(shares)	49,14,62,400	1,80,002
Amount of Investment in Associates/ Joint Venture (in ₹)	₹491,46,24,000	₹18,00,020
Extend of Holding %	26.00%	33.33%
3. Description of how there is significant influence	There is significant influence due to percentage (%) of Share Capital in the Jointly Controlled Entity as mentioned above.	There is significant influence due to percentage (%) of Share Capital in the Jointly Controlled Entity as mentioned above.
4. Reason why the associate/joint venture is not consolidated	N.A.	N.A.
5. Net worth attributable to share holding as per latest audited Balance Sheet	₹4,50,36,33,680	₹1,25,400
6. Profit/Loss for the year	Profit of ₹1,07,72,00,540	Loss of ₹17,900
i. Considered in Consolidation	Yes	Yes
ii. Not Considered in Consolidation	N.A.	N.A.

Notes:	1. Names of associates or joint ventures which are yet to commence operations.	N.A.
	2. Names of associates or joint ventures which have been liquidated or sold during the year.	N.A.

For and on behalf of the Board of Directors

(Ashok Jha)
Company Secretary
A-14100

(Hira Nand)
Director (Finance)
DIN: 09476034

(Dr. U. Saravanan)
Chairman & Managing Director
DIN: 07274628

Registered Office:
Scope Complex, Core-III,
7, Institutional Area, Lodhi Road,
New Delhi-110003.
Date: 30th May, 2025

Annexure-10

Form No. AOC-2
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013.

1. Details of Contracts or arrangements or transactions not at arm's length basis

Name(s) of related party and nature of relationship	Nature of Contracts/ arrangement/ transactions	Duration of the contracts/ arrangements/ transactions	Salient term of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advance, if any	Date on which the Special Resolution was passed in General Meeting as required under first proviso to Section 188 of the Companies Act, 2013
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

2. Details of material contracts or arrangement or transactions at arm's length basis

Name(s) of related party and nature of relationship	Nature of Contracts/ arrangement/ transactions	Duration of the contracts/ arrangements/ transactions	Salient term of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
No material contracts or arrangements or transactions were entered by the company with any related party, during the period under review.					

For and on behalf of the Board of Directors

(Ashok Jha)
Company Secretary
A-14100

(Hira Nand)
Director (Finance)
DIN: 09476034

(Dr. U. Saravanan)
Chairman & Managing Director
DIN: 07274628

Registered Office:
Scope Complex, Core-III,
7, Institutional Area, Lodhi Road,
New Delhi-110003.
Date: 30th May, 2025

Annexure-11

Procurement made from Micro and Small Enterprises (MSEs) during FY 2024-25

Public Procurement Policy for Micro and Small Enterprises (MSEs) was notified by the Government under the Micro, Small and Medium Enterprises Development Act, 2006 which stipulated that 20% of total annual procurement of goods and services shall be made by all Central Ministries /Departments /CPSUs from Micro & Small Enterprises (MSEs). Within this percentage, a sub total of 4% procurement is to be made from MSEs owned by SC/ST entrepreneurs. This Policy has become mandatory w.e.f. 01.04.2015.

In November 2018, Ministry of MSME has issued amendment to the aforesaid policy and increased percentage from 20% to 25% and out of which 3% has also been reserved for women entrepreneurs and 4% for SC/ST entrepreneurs.

Clause no. 12(2) of Ministry of MSME Order, 2012 inter alia stipulates that Central Ministries or Departments or Public Sector Undertakings can be considered for exemption from mandatory procurement from MSEs on case to case basis.

NFL has requested Ministry of Micro, Small and Medium Enterprises through Ministry of Chemicals & Fertilizers for waiver to NFL from mandatory procurement from MSEs, for following items required for fertilizer business, since the same are not available from MSEs:

- Raw Materials (Natural Gas/RLNG etc.).
- Traded products (DAP, Bentonite Sulphur, seeds, pesticides etc.).
- Power and fuel (Coal etc.).
- Petrol, diesel, Lubricants etc.
- OEM spares (Proprietary/Imported).
- High tech items, services and consultancies, etc.

NFL has taken following actions to maximize procurements from MSEs:

i. Items identified for procurement from MSEs at respective plants have been displayed on NFL website www.nationalfertilizers.com. All other items which are being procured at our units are also displayed on NFL website for prequalification of Vendors, for wider participation by suppliers including MSEs.

ii. Enabling provisions have been made in Purchase Manual for providing purchase preference for participating MSEs including women and SC/ST MSEs in case they match L1 price as per Procurement Policy.

iii. In FY 2024-25, total nine Vendor Development Programmes (VDPs) have been organized by NFL for MSEs, SC/ST MSEs and women MSEs.

With concerted efforts, NFL has been able to achieve a percentage of 62.55 % during FY 2024-25 from MSEs, out of total procurement of Goods and Services after excluding raw materials, traded products, power & fuel, and other goods/services which cannot be procured from MSEs.

The details of the procurement of Goods and Services made by Company during FY 2024-25 are as below:

(Figures in ₹ Crore)

S. No.	Particulars	Annual procurement target for the FY 2024-25	Target achieved for the FY 2024-25
I.	Annual procurement of Goods and Services *	850.00	791.86
II.	Value of Goods and Services procured from MSEs (including MSEs owned by SC/ST and women entrepreneurs)	212.50	495.34
III.	Value of Goods and Services procured from only MSEs owned by SC/ST entrepreneurs.	34.00	6.03
IV.	Value of Goods and Services procured from only MSEs owned by women entrepreneurs.	25.50	11.05
V.	% age of procurement of Goods and Services from MSEs (including MSEs owned by SC/ST entrepreneurs) out of annual procurement of Goods and Services	25%	62.55%
VI.	% age of procurement of Goods and Services from only MSEs owned by SC/ST entrepreneurs out of annual procurement of Goods and Services	4%	0.76 %
VII.	% age of procurement of Goods and Services from only MSEs owned by women entrepreneurs out of annual procurement of Goods and Services	3%	1.39%
VIII.	Total number of Vendor Development Programmes for MSEs	4 (Nos.)	9 (Nos.)

* Annual Procurement of Goods and Services after excluding raw materials, traded products, power, fuel & other goods/services which cannot be procured through MSEs. The same is uploaded on Sambandh Portal.

Registered Office:
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7, Institutional Area, Lodhi Road,
New Delhi-110003

Date: 29th August, 2025

For and on behalf of the Board of Directors

(Dr. U. Saravanan)
Chairman & Managing Director
DIN: 07274628

Annexure-12

Initiatives taken for development of employees belonging to Scheduled Caste/Scheduled Tribes/Other Backward Classes (SC/ST/OBC categories)

Company is committed to the development of employees belonging to reserved categories. An Implementation Cell is functional in all Units/ Offices of the Company to oversee the implementation of Presidential Directives on Reservation Policy for SCs / STs. Liaison Officer has been appointed in each Unit / Office and Chief Liaison Officer at CO, NOIDA to ensure due compliance of orders and instructions pertaining to reservation for SCs and STs and other concessions admissible to them. Meetings were periodically held at Unit level as well as at corporate level with the SC /ST Employees Welfare Associations by the Management for redressal of grievances of SC /ST employees. A statement showing representation of employees belonging to Scheduled Caste / Scheduled Tribes / Other Backward Classes / Persons with disabilities is as under:

REPRESENTATION OF SCs/STs/OBCs AS ON 31.03.2025									
Group	**Employees on Rolls**	**SC**	**%age**	**ST**	**%age**	**OBC**	**%age**	**Divyang**	**%age**
A	1171	207	18.39	56	4.42	182	14.46	6	0.48
B	813	192	24.64	44	5.04	109	12.05	13	1.42
C	482	76	15.99	30	6.55	148	31.98	26	5.20
D	29	8	23.81	1	2.38	11	40.48	0	2.38
D (Safai karamchari)	16	16	100	0	0	0	0	0	0
TOTAL	**2511**	**499**	**19.87**	**131**	**5.22**	**450**	**17.92**	**45**	**1.79**

RECRUITMENT OF SCs/STs/OBCs DURING THE YEAR 2024-2025									
Group	**Total Recruitment**	**SC**	**%age**	**ST**	**%age**	**OBC**	**%age**	**Divyang**	**%age**
A	32	4	12.50	3	9.38	11	34.38	0	0
B	0	0	0	0	0	0	0	0	0
C	3	1	33.33	0	0	0	0	0	0
D	0	0	0	0	0	0	0	0	0
D (Safai karamchari)	0	0	0	0	0	0	0	0	0
TOTAL	**35**	**5**	**14.29**	**3**	**8.57**	**11**	**31.42**	**0**	**0**

PROMOTION OF SCs/STs/OBCS DURING THE YEAR 2024-2025									
Group	**Total Promotion**	**SC**	**%**	**ST**	**%**	**OBC**	**%**	**Divyang**	**%**
A	229	47	20.52	10	4.37	37	16.16	3	1.31
B(O)	27	11	40.74	2	0.00	4	14.81	0	0.00
B(W)	25	3	12.00	1	4.00	10	40	0	0.00
C	158	22	13.92	11	6.96	52	32.91	4	2.53
D	0	0	0.00	0	0	0	0	0	0.00
D (Safai Karamchari)	0	0	0.00	0	0	0	0	0	0.00
Total	**439**	**83**	**18.91**	**24**	**5.47**	**103**	**23.46**	**7**	**1.59**

The overall reservation percentage achieved in strength of SC category employees is 19.87% which is more than the prescribed reservation. In case of ST, the percentage achieved is 5.22 %. There is a slight shortfall than the prescribed reservation because the reservation in Group C and D posts filed up by Direct Recruitment in the States of Punjab and Haryana where three plants of the Company are located was abolished w.e.f. 01st June,1985. For Other Backward Classes, the percentage achieved is 17.92 %.

Registered Office:
Scope Complex, Core-III,
7, Institutional Area, Lodhi Road,
New Delhi-110003

Date: 29th August, 2025

For and on behalf of the Board of Directors

(Dr. U. Saravanan)
Chairman & Managing Director
DIN: 07274628

Annexure-13

FORM MR-3
Secretarial Audit Report
For the Financial year Ended on March 31, 2025

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

To,
The Members,
NATIONAL FERTILIZERS LIMITED (NFL)
CIN: L74899DL1974GOI007417
Scope Complex, Core-III,
7, Institutional Area, Lodhi Road,
New Delhi, Delhi - 110003

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **National Fertilizers Limited** (hereinafter called "the Company"), having its Registered Office at **Scope Complex, Core-III, 7, Institutional Area, Lodhi Road, New Delhi, Delhi-110003.** Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

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

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

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

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

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

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

e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **[Applicable to the extent of issuance of Commercial Paper, if any by the Company]**

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

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

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the audit period);** and

i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

Compliances/processes/systems under other specific applicable Laws (as applicable to the industry) to the Company are being verified on the basis of periodic certificate under Internal Compliance System submitted to the Board of Directors of the Company.

The compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by the statutory auditor(s) and other designated professionals.

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

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

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

iii. Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises vide their OM No. 18(8)/2005-GM dated 14th May, 2010.

iv. Guidelines on Capital Restructuring of Central Public Sector Enterprises (CPSEs) as stipulated in the O.M.F No. 5/2/2016-Policy dated 18th November, 2024 issued by Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, Government of India.

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

- ***The Company did not have requisite number of independent directors including at least one independent woman director on its Board as required under Regulation 17(1) of SEBI (LODR) Regulations, 2015 and Section 149 of the Companies Act 2013, read with Companies (Appointment and Qualification of Directors) Rules, 2014 with effect from 12.11.2024.***
- ***The Company did not have at least two independent director in its quorum of Audit Committee Meeting as required under Regulation 18(2) of SEBI (LODR) Regulations, 2015 for the meetings held after 30.11.2024.***
- ***The Composition of Audit Committee, Nomination and Remuneration Committee, was not as per Regulation 18(1), Regulation 19(1) of SEBI (LODR) Regulations, 2015, and Section 177 and 178 of the Companies Act, 2013 respectively, with effect from 30.11.2024.***
- ***The performance evaluation of Independent Directors has not been done by the entire Board of Directors.***

- ***The Nomination and Remuneration Committee has not:***

i. ***formulated the criteria for determining qualifications, positive attributes and Independence of a director and recommend to the Board of Directors, a policy relating to the remuneration of the directors, key managerial personnel and other employees;***

ii. ***formulated criteria for evaluation of performance of Independent Directors and the Board of Directors.***

- ***In absence of requisite number of Independent Directors, the Company could not comply with clause 3.1.2 (with effect from 11.03.2025), 3.1.4 (with effect from 12.11.2024), 4.1.1 (with effect from 30.11.2024), 4.4 (for Audit Committee Meeting held on 10.02.2025) and 5.1 of DPE Guidelines on Corporate Governance regarding constitution of Board and Committees.***

We further report that:

1. During the period under review, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Director except to the observations mentioned above. 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 provisions of the Act.
2. NSE and BSE each has imposed fine for Non-compliance of Regulation 17(1), 19 and 17(1), 18(1), 19 for the Quarters ended December 31, 2024 and March 31, 2025 respectively.
3. The appointment of Chairperson, Functional Directors, Part-time Official Directors as well as Part-time Non-Official Directors (Independent Directors) on the Board of NFL is made by Government of India (GOI). Further, terms & conditions of appointment as well as tenure of all directors are also decided by GOI and there is a well laid down procedure for evaluation of performance of Chairperson and Functional Directors and Independent Directors by Administrative Ministry.

Adequate notice(s) was given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were generally sent at least seven days, other than those held at shorter notice, in advance to all directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions are taken with requisite majority and the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that based on the review of the compliance mechanism established by the company and on the basis of Compliance certificate(s) issued by various departments and taken on record by the Board of Directors at their meetings, 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.

Place: Noida
Date: 11.07.2025

For, Kumar Naresh Sinha & Associates
Company Secretaries

CS Naresh Kumar Sinha
(Proprietor)
FCS: 1807; C P No.: 14984
PR: 6220/2024
FRN: S2015UP440500
UDIN: F001807G000757320

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

Annexure A

To,
The Members,
NATIONAL FERTILIZERS LIMITED (NFL)
CIN: L74899DL1974GOI007417
Scope Complex, Core-III,
7, Institutional Area,
Lodhi Road, New Delhi - 110003

Auditor's Responsibility

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company and for which we relied on the report of statutory auditor.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random 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.

Place: Noida
Date: 11.07.2025

For, Kumar Naresh Sinha & Associates
Company Secretaries

CS Naresh Kumar Sinha
(Proprietor)
FCS: 1807; C P No.: 14984
PR: 6220/2024
FRN: S2015UP440500
UDIN: F001807G000757320

Annexure 13

Management's Explanation to the Observations of Secretarial Auditor Report for the Financial Year 2024-25

Sr. No	Secretarial Auditors' Observations	Management's Explanation
01.	The Company did not have requisite number of independent directors including at least one independent woman director on its Board as required under Regulation 17(1) of SEBI (LODR) Regulations, 2015 and Section 149 of the Companies Act 2013, read with Companies (Appointment and Qualification of Directors) Rules, 2014 with effect from 12.11.2024.	The Company complies with the applicable provisions of Listing Regulations and Companies Act, 2013 from time to time. National Fertilizers Limited (NFL) is a Government Company under the administrative control of the Department of Fertilizers (DoF), Government of India (GOI). The Directors including Independent Directors of the Company are appointed by the GOI. The Company has no control over the appointment of Independent Directors and we have requested DoF from time to time well in advance for appointment of Independent Director on the Board of the Company to meet the sanctioned strength of Non-Official Independent Directors. It is pertinent to mention that the Company has been taking up regularly the issue with Department of Fertilizer (DoF), Government of India for appointment of adequate number of Independent Directors to comply with Regulation 17(1). Further, (DoF) has appointed Three Independent Director on the Board of NFL including one Independent Woman Director in the month of May, 2025.
02.	The Company did not have at least two independent director in its quorum of Audit Committee Meeting as required under Regulation 18(2) of SEBI (LODR) Regulations, 2015 for the meetings held after 30.11.2024.	The Company complies with the applicable provisions of Listing Regulations from time to time. National Fertilizers Limited (NFL) is a Government Company under the administrative control of the Department of Fertilizers (DoF), Government of India (GOI). The Directors including Independent Directors of the Company are appointed by the GOI. The Company has no control over the appointment of Independent Directors and we have requested DoF from time to time well in advance for appointment of Independent Director on the Board of the Company to meet the sanctioned strength of Non-Official Independent Directors. NFL was compliant with regulation 18(2) upto 29.11.2024 and consequent upon completion of tenure of Independent Director w.e.f. 30.11.2024 it became non-compliant.

		It is pertinent to mention here that consequent upon appointment of two Independent Directors on the Board of NFL w.e.f. 05.05.2025, NFL became compliant of Regulation 18.
03.	The Composition of Audit Committee, Nomination and Remuneration Committee, was not as per Regulation 18(1), Regulation 19(1) of SEBI (LODR) Regulations, 2015, and Section 177 and 178 of the Companies Act, 2013 respectively, with effect from 30.11.2024.	The Company complies with the applicable provisions of Listing Regulations and Companies Act, 2013 from time to time. National Fertilizers Limited (NFL) is a Government Company under the administrative control of the Department of Fertilizers (DoF), Government of India (GOI). The Directors including Independent Directors of the Company are appointed by the GOI. The Company has no control over the appointment of Independent Directors and we have requested DoF from time to time well in advance for appointment of Independent Director on the Board of the Company to meet the sanctioned strength of Non-Official Independent Directors. NFL was compliant with regulation 18(1)/ 19(1) upto 29.11.2024 and consequent upon completion of tenure of one Independent Director w.e.f. 30.11.2024 it became non-compliant. It is pertinent to mention here that consequent upon appointment of two Independent Directors on the Board of NFL w.e.f. 05.05.2025, NFL became compliant of Regulation 18(1) and 19(1).
04.	The performance evaluation of Independent Directors has not been done by the entire Board of Directors.	(a) Regulation 17(10) of SEBI (LODR) Regulations, 2015 requires the performance evaluation of Independent Directors to be done by the entire Board of Directors to decide their continuance or otherwise. However, the MCA vide its notification dated 5th June, 2015 notified exemptions applicable to Government Companies from the provisions of the Companies Act, 2013 which inter- alia provides that Sub Sections (2), (3) & (4) of Section 178 regarding appointment, performance evaluation and remuneration shall not apply to Directors of the Government Companies. (b) Further MCA vide notification dated 5th June, 2015 has also notified that in case of Government Companies Section 134(3) (p) of the Companies Act, 2013 shall not apply, in case the Directors are evaluated by the Ministry or department of the Central Government which is administratively in charge of the Company.

		(c) The appointment of Chairperson, Functional Directors, Part-time Official Directors as well as Part-time non-Official Directors (Independent Directors) on the Board of NFL is made by the Administrative Ministry i.e. Ministry of Chemicals and Fertilizers, GOI. Further, terms & conditions of appointment as well as tenure of all Directors are also decided by GOI and there is a well laid down procedure for evaluation of performance of Chairperson, Functional Directors and Independent Directors by Administrative Ministry. (d) Performance evaluations to which the Government Companies and their Directors are subjected to are as follows: i. All the Functional Directors (through C&MD) and C&MD are accountable to the Board and the Administrative Ministry. ii. For monitoring the performance of the Company, a performance Memorandum of Understanding (MoU) is entered between the Company through C&MD of the respective Company and the Administrative Ministry through Secretary of the Ministry. This MoU is discussed by Department of Public Enterprises, Niti Aayog, Ministry of Statistics & Programme Implementation and the Administrative Ministry officials. Targets are set for various MoU parameters. The performance of the Company vis-à-vis MoU indicates the overall performance of the Board and individual Directors. Performance of the Company is reviewed on quarterly basis through Quarterly Review Meetings by the Administrative Ministry, where detailed deliberations are held with respect to various administrative parameters. iii. Performance of the Company is also evaluated by Department of Public Enterprises annually by assigning performance ratings to the Company on the MoU parameters. In evaluating the performance of the General Managers, Executive Directors, Functional Directors and C&MD major weightage is given to MoU rating. Variable pay of Functional Directors is regulated on performance of the Company w.r.t. MoU parameters. iv. Annual performance appraisal of the C&MD and Functional Directors is reviewed by the Secretary of the Administrative Ministry and accepted by Concerned Minister.

		v. Tenure of Functional Directors, C&MD and Independent Directors are fixed by Government of India. Their tenures are further extendable on performance review by the Administrative Ministry. vi. All the Government Companies are also subject to regular review by various Parliamentary Committees on different subjects. vii. In view of the above and performance evaluation mechanism already in place, the performance evaluation of the Chairperson, Functional Directors and Part-time Non-Official Directors (Independent Directors) was not carried out. In view of the above exemption, no performance evaluation of the Independent Directors was required to be carried out.
05.	The Nomination and Remuneration Committee has not: i. formulated the criteria for determining qualifications, positive attributes and Independence of a director and recommend to the Board of Directors, a policy relating to the remuneration of the directors, key managerial personnel and other employees; ii. formulated criteria for evaluation of performance of Independent Directors and the Board of Directors.	Same as explanation provided in Sr. No. 04.
06.	In absence of requisite number of Independent Directors, the Company could not comply with clause 3.1.2 (with effect from 11.03.2025), 3.1.4 (with effect from 12.11.2024), 4.1.1 (with effect from 30.11.2024), 4.4 (for the Audit Committee Meeting held on 10.02.2025) and 5.1 of DPE Guidelines on Corporate Governance regarding constitution of Board and Committees.	The Company has been compliant with the guidelines on Corporate Governance, issued by Department of Public Enterprises (DPE) from time to time. National Fertilizers Limited (NFL) is a Government Company under the administrative control of the Department of Fertilizers (DoF), Government of India (GOI). The Directors including Independent Directors of the Company are appointed by the GOI. The Company has no control over the appointment of Independent Directors and we have requested DoF from time to time well in advance for appointment of

		Independent Director on the Board of the Company to meet the sanctioned strength of Non-Official Independent Directors. It is pertinent to mention that the Company has been taking up regularly the issue with Department of Fertilizer (DoF), Government of India for appointment of adequate number of Independent Directors to comply with DPE guidelines on Corporate Governance. Further, (DoF) has appointed Three Independent Director on the Board of NFL including one Independent Woman Director in the month of May, 2025.

Registered Office:
Scope Complex, Core-III,
7, Institutional Area, Lodhi Road,
New Delhi-110003

Date: 29th August, 2025

For and on behalf of the Board of Directors

(Dr. U. Saravanan)
Chairman & Managing Director
DIN: 07274628

Annexure-14

Secretarial Compliance Report of National Fertilizers Limited (NFL) for the financial year ended March 31, 2025

We **Kumar Naresh Sinha and Associates** have examined:

(a) all the documents and records made available to us and explanation provided by **National Fertilizers Limited** ("the listed entity")

(b) the filings/ submissions made by the listed entity to the stock exchanges,

(c) website of the listed entity,

(d) any other document/ filing, as may be relevant, which has been relied upon to make this report, for the year ended **March 31, 2025** ("Review Period") in respect of compliance with the provisions of:

  (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

  (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

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

(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **[Not Applicable as the listed entity has not bought back/propose to buy-back any of its securities during the Review Period];**

(e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **[Not applicable as the listed entity has not offered any shares or granted any options pursuant to any employee benefit scheme during the Review Period];**

(f) SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **[Applicable to the extent of issuance of Commercial Paper, if any, by the Company.]**

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

(h) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 **[to the extent applicable]**

and circulars/ guidelines issued thereunder.

and based on the above examination, we hereby report that, during the review period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, **except** in respect of matters specified below:-

Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action taken by	Type of Action *(Advisory/Clarification/ Fine/Show Cause Notice/ Warning etc.)*	Details of Violation	Fine Amount	Observations/Remarks of the Practicing Company Secretary	Management Response	Remarks
1.	(1) The composition of board of directors of the listed entity shall be as follows: (a) board of directors shall have an optimum combination of executive and non-executive directors with at least one woman director and not less than fifty per cent. of the board of directors shall comprise of non-executive directors; Provided that the Board of directors of the top 1000 listed entities shall have at least one independent woman director; (b) where the chairperson of the board of directors is a non-executive director, at least one-third of the board of directors shall comprise of independent directors and where the listed	Regulation 17(1) of The SEBI (LODR) Regulations, 2015.	Non-compliance with the requirements pertaining to the composition of the Board including failure to appoint woman director	BSE and NSE	Fine	Half of the Board was not Independent and no Independent Woman Director on the Board of the Company w.e.f., 12.11.2024.	NSE and BSE each has imposed fine of Rs. 2,89,100 /- inclusive of GST for Non-compliance of Regulation 17(1) for the Quarter ended 31st December, 2024.	The listed entity has submitted to BSE and NSE that NFL is Public Sector Undertaking (PSU) under administrative control of Department of Fertilizers, Government of India. Being a Government Company, all the Directors on the Board of NFL including Non-Official	Being a Government Company, all the Directors on the Board of NFL, including Non-Official Part Time Directors (Independent Directors)/Women Director are appointed by the Administrative Ministry i.e Ministry of Chemicals and Fertilizers, Government of India and as such the Company has no	None

	entity does not have a regular non-executive chairperson, at least half of the board of directors shall comprise of independent directors: Provided that where the regular non-executive chairperson is a promoter of the listed entity or is related to any promoter or person occupying management positions at the level of board of director or at one level below the board of directors, at least half of the board of directors of the listed entity shall consist of independent directors.							Part-time Directors (Independent Directors)/ Woman Directors are appointed by the Administrative Ministry i.e., Ministry of Chemicals and Fertilizers, Government of India and as such the Company has no control over the appointment of Independent Directors/Woman Director. The Company has been continuously following up with	control over the appointment of Independent Directors / Women Director.	

								Ministry of Chemicals and Fertilizers, Government of India to fill the vacancy of Independent Director on the Board of NFL. In view of above, the Company has requested to stock exchanges to waive off the fine imposed for non-compliance.		

2.	(1) Every listed entity shall constitute a qualified and independent audit committee in accordance with the terms of reference, subject to the following: (b) At least two-thirds of the members of audit committee shall be independent directors. (2) The listed entity shall conduct the meetings of the audit committee in the following manner: (b) The quorum for audit committee meeting shall either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.	Regulation 18(1)/(2) of the SEBI (LODR) Regulations, 2015	-	-	-	Non-compliance with the Requirement to have at least 2/3 independent director in the Audit Committee with effect from 30.11.2024 And 2 Independent directors were not present in the quorum of the meetings held after 30.11.2024.	-	Being a Government Company, all the Directors on the Board of NFL including Non-Official Part-time Directors (Independent Directors)/ Woman Directors are appointed by the Administrative Ministry i.e., Ministry of Chemicals and Fertilizers, Government of India and as such the Company has no control over the appointment of Independent Directors/Woman Director. The	Being a Government Company, all the Directors on the Board of NFL, including Non-Official Part Time Directors (Independent Directors)/Women Director are appointed by the Administrative Ministry i.e Ministry of Chemicals and Fertilizers, Government of India and as such the Company has no control over the appointment of Independent Directors / Women Director.	None

								Company has been continuously following up with Ministry of Chemicals and Fertilizers, Government of India to fill the vacancy of Independent Director on the Board of NFL.		
3.	(1) The board of directors shall constitute the nomination and remuneration committee as follows: (c) at least two-thirds of the directors shall be independent directors .	Regulation 19(1) of the SEBI (LODR) Regulations, 2015	Non-compliance with the Constitution of nomination and remuneration committee	BSE and NSE	Fine	Non-compliance with the Requirement to have at least 2/3 independent director in the Nomination and Remuneration Committee with effect from 30.11.2024.	NSE and BSE each has imposed fine of Rs. 75,520/- inclusive of GST for Non-compliance of Regulation 19 for the Quarter ended 31st December, 2024	The listed entity has submitted to BSE and NSE that NFL is Public Sector Undertaking (PSU) under administrative control of Department of Fertilizers, Government of India.	Being a Government Company, all the Directors on the Board of NFL, including Non-Official Part Time Directors (Independent Directors)/Women Director are appointed by the Administrative Ministry i.e	None

								Being a Government Company, all the Directors on the Board of NFL including Non-Official Part-time Directors (Independent Directors)/ Woman Directors are appointed by the Administrative Ministry i.e., Ministry of Chemicals and Fertilizers, Government of India and as such the Company has no control over the appointment of Independent Directors /Woman Director. The Company has	Ministry of Chemicals and Fertilizers, Government of India and as such the Company has no control over the appointment of Independent Directors / Women Director.	

								been continuously following up with Ministry of Chemicals and Fertilizers, Government of India to fill the vacancy of Independent Director on the Board of NFL. In view of above, the Company has requested to stock exchanges to waive off the fine imposed for non-compliance.		

(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No	Observations/Remarks of the Practicing Company Secretary in the previous reports	Observations made in the Secretarial Compliance report for the year ended (the years are to be mentioned)	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Details of Violation / deviations and actions taken / penalty imposed, if any, on the listed entity	Remedial actions, if any, taken by the listed entity	Comments of the PCS on the actions taken by the listed entity
1.	The listed entity has submitted to BSE and NSE that NFL is a Public Sector Undertaking (PSU) under the administrative control of Department of Fertilizers, Ministry of Chemicals and Fertilizers, Government of India. Being a Government Company, all the Directors on the Board of NFL including Non-Official Part-time Directors (Independent Directors)/ Woman Directors are appointed by the Administrative Ministry i.e., Ministry of Chemicals and Fertilizers, Government of India and as such the Company has no control over the appointment of Independent	2023-24	Regulation 17(1) of The SEBI (LODR) Regulations, 2015. Where the listed entity does not have a regular non-executive chairperson, at least half of the Board of Directors shall comprise of Independent Directors.	The number of Independent Directors on the Board is less than fifty percent from 16.06.2023 to 30.01.2024. NSE and BSE each has imposed fine of Rs. 11,74,100/- inclusive of GST for Non-compliance of Regulation 17(1) for the Quarters ended June 30, 2023, September 30, 2023 and December 31, 2023.	Being a Government Company, all the Directors on the Board of NFL including Non-Official Part-time Directors (Independent Directors)/ Woman Directors are appointed by the Administrative Ministry i.e., Ministry of Chemicals and Fertilizers, Government of India and as such the Company has no control over the appointment of Independent Directors/Woman Director. The Company has been continuously following up with Ministry of Chemicals and Fertilizers, Government of India to fill	NSE vide its letter dated 12.06.2024 has waived off the fine for the Quarter ended June 2023, September 2023, December 2023 and March 2024.

	Directors/Woman Director. The Company has been continuously following up with Ministry of Chemicals and Fertilizers, Government of India to fill the vacancy of Independent Director on the Board of NFL. In view of above, the Company has requested to the stock exchanges to waive off the fine imposed for non-compliance.				the vacancy of Independent Director on the Board of NFL. In view of above, the Company has requested to the stock exchanges to waive off the fine imposed for non-compliance.	
2.	The appointment of chairperson, Functional Directors, Part-time Official Directors as well as Part-time non-Official Directors (independent Directors) on the Board of NFL is made by Government of India (GOI). Further, terms & conditions of appointment as well as tenure of all directors are also decided by GOI and there is a well laid down procedure for evaluation of performance of Chairman, Functional	2023-24	Regulation 17(10)(a) of the SEBI (LODR) Regulations, 2015 Performance evaluation of Independent Directors shall be done by the entire Board of Directors.	The Nomination and Remuneration Committee has not: (a) formulated the criteria for determining qualifications, positive attributes and Independence of a director and recommend to the Board of Directors, a policy relating to the remuneration of the directors, key managerial personnel and other	The appointment of Chairperson, Functional Directors, Part-time Official Directors as well as Part-time Non-Official Directors (Independent Directors) on the Board of NFL is made by Government of India (GOI). Further, terms & conditions of appointment as well as tenure of all directors are also decided by GOI and there is a well	None

	Directors and Independent Director by GOI.			employees; (b) formulated criteria for evaluative of performance of Independent Directors and the Board of Directors.	laid down procedure for evaluation of performance of Chairperson and Functional Directors and Independent Directors by Administrative Ministry.	
3.	The appointment of Chairperson, Functional Directors, Part-time Official Directors as well as Part-time Non-Official Directors (independent Directors) on the Board of NFL is made by Government of India (GOI). Further, terms & conditions of appointment as well as tenure of all directors are also decided by GOI and there is a well laid down procedure for evaluation of performance of Chairman, Functional Directors and Independent Director by GOI.	2023-24	Regulation 19 (4) read with Schedule II Part D (A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015. The Nomination and Remuneration Committee shall: (a) formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration	The Nomination and Remuneration Committee has not: (a) formulated the criteria for determining qualifications, positive attributes and Independence of a director and recommend to the Board of Directors, a policy relating to the remuneration of the directors, key managerial personnel and other employees; (b) formulated criteria for evaluative of performance of Independent	The appointment of Chairperson, Functional Directors, Part-time Official Directors as well as Part-time Non-Official Directors (Independent Directors) on the Board of NFL is made by Government of India (GOI). Further, terms & conditions of appointment as well as tenure of all directors are also decided by GOI and there is a well laid down procedure for evaluation of performance of Chairman, Functional Directors and	None

			of the directors, key managerial personnel and other employees; (b) formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors.	Directors and the Board of Directors.	Independent Director by GOI.	

I. We hereby report that, during the review period the compliance status of the listed entity is appended as below:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observation/ Remarks by PCS
1.	**Secretarial Standard:** The compliances of the listed entities are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI).	**Yes**	**None**
2.	**Adoption and timely updation of the Policies:** • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entity. • All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated on time, as per the regulations/ circulars/ guidelines issued by SEBI.	**Yes** **Yes**	**None** **None**
3.	**Maintenance and disclosures on Website:** • The Listed entity is maintaining a functional website	**Yes**	**None**

	• Timely dissemination of the documents/ information under a separate section on the website • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which redirects to the relevant document(s)/ section of the website	**Yes** **Yes**	**None** **None**
4.	**Disqualification of Director:** None of the Director(s) of the listed entity is/are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	**Yes**	**None**
5.	**Details related to Subsidiaries of listed entities have been examined w.r.t:** (a) Identification of material subsidiary companies (b) Disclosure requirements of material as well as other subsidiaries	**N.A.**	**The company does not have any subsidiary.**
6.	**Preservation of Documents:** The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	**Yes**	**None**
7.	**Performance Evaluation:** The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations.	**N.A.**	**Ministry of Corporate Affairs has, vide its notification dated June 05, 2015, notified the exemptions to Government Companies from certain provisions of the Companies Act, 2013 which inter-alia provides that Section 134(3)(p) regarding a statement indicating the manner of formal annual evaluation of Board, shall not apply to**

			Government Companies in case the Directors are evaluated by the Ministry which is administratively in charge of the Company as per its evaluation methodology. Further, the aforesaid circular issued by the MCA has also exempted that sub-section (2), (3) & (4) of Sec. 178 regarding the appointment, performance evaluation and remuneration shall not apply to Directors of Government Companies. Further, MCA vide its notification dated July 05, 2017, has made an amendment in the Schedule IV of the act, whereby it has exempted Government Companies from complying with the requirement of performance evaluation by the Independent Directors of Non-Independent Directors and Chairman and performance evaluation of the Independent Director by the Board if the concerned department or ministries have specified these requirements. In this regard, the listed entity has confirmed that the Department of Public Enterprise (DPE) has already laid down a mechanism for performance appraisal of all Functional Directors.

			The performance evaluation of Functional Directors is done through a system of Annual Performance Appraisal Report (APAR) by Ministry of Chemicals and Fertilizers. Further, the performance evaluation of the Company is done through the evaluation of the Memorandum of Understanding entered with Ministry of Chemicals and Fertilizers, and the said evaluation is submitted to Department of Public Enterprises through the Administrative Ministry. The MoU targets are cascaded down and form an integral part of the performance appraisal of the individuals and the team. The internal MoU covers various parameters including financial, non-financials and compliances of government guidelines etc. In respect of Government Nominee Directors, their evaluation is done by the Ministry of Chemicals and Fertilizers as per the procedure laid down. Since Independent Directors are also appointed by the Government of India, their evaluation is also done by the Ministry of Chemicals and Fertilizers and finally by DPE.

8.	**Related Party Transactions:** (a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions; or (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/ rejected by the Audit Committee.	**Yes** **NA**	**None** **None**
9.	**Disclosure of events or information:** The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	**Yes**	**None**
10.	**Prohibition of Insider Trading:** The listed entity is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015	**Yes**	**None**
11 .	**Actions taken by SEBI or Stock Exchange(s), if any:** The action(s) taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges are specified in the last column.	**Yes**	**Mentioned in para (a) above.**
12 .	**Resignation of statutory auditors from the listed entity or its material subsidiaries:** In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.	**NA**	**None**

13 .	**Additional non-compliances, if any:** No additional non-compliance observed for any SEBI regulation/circular/guidance note etc. except as reported above.	**Yes**	**None**

We further, report that the listed entity is in compliance/ not in compliance with the disclosure requirements of Employee Benefit Scheme Documents in terms of regulation 46(2) (za) of the LODR Regulations – NA

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

Place: Noida
Date: 28.05.2025

For Kumar Naresh Sinha & Associates
Company Secretaries

CS Naresh Kumar Sinha
(Proprietor)
FCS: 1807, CP No.: 14984
PR: 6220/2024
FRN: S2015UP440500
UDIN: F001807G000472607

Annexure-15

Certificate of Non-Disqualification of Directors

(Pursuant to 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
National Fertilizers Limited
Scope Complex Core-III,
7, Institutional Area, Lodhi Road,
New Delhi-110003

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **National Fertilizers Limited** having **CIN:L74899DL1974GOI007417** and having its Registered Office at **Scope Complex Core-III, 7, Institutional Area, Lodhi Road, New Delhi- 110003** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of Director	DIN	Date of Appointment in Company	Date of Cessation
1.	SHRI ULAGANATHAN SARAVANAN	07274628	16/06/2023	-
2.	SHRI HIRA NAND	09476034	17/06/2022	-
3.	SHRI RAJAN KANWAR	09772867	21/10/2022	-
4.	SMT. PRATHIBHA A.	09692712	03/08/2022	-
5.	SHRI BHARAT BHUSHAN	03259509	07/11/2024	-
6.	SHRI JYOTI BHRAMAR TUBID	02442295	21/04/2022	-
7.	SHRI MAHESH CHANDER GUPTA	10996394	11/03/2025	-
8.	SMT. NEERAJA ADIDAM	09351163	14/10/2021	07/11/2024
9.	SMT. POONAM SHARMA	09392920	12/11/2021	12/11/2024
10.	SHRI RITESH TIWARI	07082681	12/11/2021	12/11/2024
11.	SHRI KASHI RAM GODARA	09393859	12/11/2021	12/11/2024
12.	SHRI VENKATA SARVARAYUDU THOTA	01631664	30/11/2021	30/11/2024

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Noida
Date: 11.07.2025

For Kumar Naresh Sinha & Associates
Company Secretaries

CS Naresh Kumar Sinha
(Proprietor)
FCS: 1807; CP No.: 14984
PR: 6220/2024
FRN: S2015UP440500
UDIN: F001807G000757421

Annexure-16

Director's Profile

Dr. U. Saravanan (DIN: 07274628)

Dr. U. Saravanan was born on 15.01.1967 aged about 58 years. Appointed by the Board with effect from 16th June, 2023, Dr. U. Saravanan serves in the capacity of Chairman & Managing Director on the Board of National Fertilizers Limited. He is also serving as Chairman & Non- Executive Director on the Board of Ramagundam Fertilizers and Chemicals Limited with effect from 26th June, 2023. He is holding the position of C&MD (Additional charge) of Projects and Development India Limited (PDIL) w.e.f. 01st November, 2023.

Prior to this, he was serving as C&MD of another fertilizer CPSE, Madras Fertilizers Limited (MFL).

A Chemical Engineer from Anna University and MBA from University of Madras, Dr. Saravanan has a wide experience spanning over 35 years covering both Oil Refinery and Fertilizer Industries. He is a senior member of American Institute of Chemical Engineer and a Life member of Indian Institute of Chemical Engineers.

He has completed a graduate training on Process Design conducted by M/s UOP at Chicago, USA. He has also worked in Project Team for pre-commissioning and commissioning activities of Petrochemical project at Rayong, Thailand under Toyo Engineering, Japan.

Prior to taking over as C&MD of MFL, he was Director (Technical) of the company and also held additional charge as Director (Technical) of another fertilizer CPSE, FACT, Cochin for more than a year. He was also a board member of Indian Potash Limited, Fertilizers Association of India and Fortune Biotech and a member of state level committee on standardization constituted by Government of Tamil Nadu.

As C&MD, MFL, Dr. U. Saravanan is credited for turning around the company into a profit making one. During his tenure as C&MD in MFL the feed stock conversion from Naptha to RLNG was completed successfully.

Dr. U. Saravanan is a member of Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility and Sustainable Development Committee and Risk Management Committee of the Company. Dr. Saravanan is also Director on the Board of Fertilizers Association of India.

Shri Hira Nand (DIN: 09476034)

Shri Hira Nand was born on 05.02.1966 aged about 59 years. He has been appointed as Director (Finance) w.e.f. 17.06.2022 on the Board of NFL. Shri Hira Nand is Cost and Management Accountant by profession. He is also a Law graduate from Bhopal University. Prior to his appointment as Director (Finance) & CFO in NFL, he was holding position of ED (Finance & Accounts) in NFL, he has also worked as ED (F&A) at Ramagundam Fertilizers & Chemicals Limited. Earlier, he has also worked with ONGC Petro additions Limited (OPaL), KRIBHCO and Model Economic Township Ltd. (a wholly owned company by Reliance Industries Ltd). He has a rich experience of more than 33 years. He worked in areas of Corporate Finance & Treasury in mobilization of funds from market including forex risk management, capital & revenue budgeting, accounts and taxation, fertilizer pricing related regulatory matters etc.

Shri Hira Nand is a member of Stakeholders Relationship Committee, Corporate Social Responsibility and Sustainable Development Committee (CSR&SD) and Risk Management Committee of the Company.

Further, Shri Hira Nand is also Nominee Director of NFL on the Board of Urvarak Videsh Limited and Ramagundam Fertilizers and Chemicals Limited. He is also holding the position of Director (Finance) [Additional Charge] of Projects & Development India Limited (PDIL).

Shri Mahesh Chander Gupta (DIN: 10996394)

Shri Mahesh Chander Gupta was born on 25.09.1967, aged about 58 years. He has been appointed as Director (Marketing) w.e.f. 11.03.2025 on the Board of NFL. Prior to this, he was serving as Chief General Manager (Business Development- Gas) in Indian Oil Corporation Limited (IOCL) heading Natural Gas Sourcing and Marketing at Corporate Office.

A seasoned professional with over 30 years of experience, Shri Gupta has played a pivotal role in upscaling of Natural Gas business for IOCL to new heights, establishing new business streams of Petrochemicals including PTA & Polymers in domestic and global markets and other Business Development Activities. A Management Graduate from FMS, Udaipur as well as Cost & Management Accountant (Gold Medalist) besides advanced management programmes, Shri Gupta has held leadership positions across Petroleum Marketing, Petrochemicals Marketing, Natural Gas Marketing business and Vigilance vertical.

He is Member of Audit Committee, Stakeholders Relationship Committee and Risk Management Committee of the Company.

Ms. Ritu Goswami (DIN: 10463372)

Ms. Ritu Goswami was born on 19.03.1967 aged about 58 years. She is a Chemical Engineer having more than 35 years of hands on experience in varied aspects of the fertilizer industry. She has an acumen for Leadership oriented management with key areas of expertise in conceptualization of projects, project feasibility, selection of technology, project cost estimates, projects coordination, business strategies, contract management, process engineering, optimizing input costs for product manufacturing via negotiations with leading suppliers, production planning and performance monitoring of mega fertilizer plants.

She has actively represented the urea industry and taken up issues related to major raw material i.e. natural gas and policy matters with stake holders including regulatory and government bodies.

While on deputation as fertilizer expert in HURL, she lead drafting of the techno-commercial scope on LSTK basis and obtaining statutory approvals for mega fertilizer projects at Gorakhpur, Sindri and Barauni.

She has attended advanced leadership programme organised by Indian institute of Public Administration, New Delhi and International Business School, Hague.

She is Director (Technical), Rashtriya Chemicals and Fertilizers Limited and holding additional charge of Director (Technical), NFL.

Shri Bharat Bhushan (DIN: 03259509)

Shri Bharat Bhushan was born on 06.09.1965 aged about 60 years. He has been appointed as Government Nominee Director w.e.f. 07.11.2024 on the Board of NFL. He holds a Bachelor's Degree in Commerce from DAV College, Jalandhar; Master's degree in Economics from Guru Nanak Dev University Amritsar and a Post Graduate Diploma in Public Policy Management from Indian Institute of Management, Bangalore. He is an Indian Economic Service (IES) Officer from the 1993 batch. Prior to his appointment as Government Nominee Director on the Board of National Fertilizers Limited, he has held various significant posts in various Government organizations.

His expertise in economic policy and management has been instrumental in shaping the country's fertilizer sector. He has worked as Finance Officer in Bhakra Beas Management Board(BBMB), Chandigarh & Haryana Vidyut Prasaran Nigam Ltd, Panchkula. He has also held the post of Deputy Director General, in Labour Burea, Ministry of Labour & Employment, Chandigarh. Currently, he serves as the Senior Economic Adviser in the Ministry of Chemical & Fertilizers, Department of Fertilizers, Government of India.

Dr. Prathibha A. (DIN: 09692712)

Dr. Prathibha A. was born on 23.03.1978, aged about 47 years. She has been appointed as Government Nominee Director w.e.f. 03.08.2022 on the Board of NFL. Dr. Prathibha has done her Ph.D. in Economics from University of Kerala, Kariavattom. She is a member of Indian Economic Service (Batch: 2003). She is working as Economic Advisor, Department of Fertilizers, Ministry of Chemicals & Fertilizers, Govt. of India, New Delhi. Prior to that, she was Director in the Ministry of Finance, Ministry of Development of North Eastern Region and had wide ranging experience working in various Ministries/ Departments such as NITI Aayog, Department of Economic Affairs, Ministry of Finance, Department of Consumer Affairs, New Delhi, Central Board of Film Certification, Trivandrum etc.

She has done specialization in the areas of Development Economics, Fisheries Management, Prices, Poverty alleviation, Public Private Partnerships Infrastructure Development etc.

Shri Jyoti Bhramar Tubid (DIN: 02442295)

Shri Jyoti Bhramar Tubid was born on 14.03.1958, aged about 67 years. He had been appointed as Non-Official Independent Director w.e.f. 21.04.2022 and ceased w.e.f. 21.04.2025 on the Board of NFL. He has been further appointed on the Board of NFL w.e.f. 05.05.2025. He is an Indian Administrative Service (IAS) officer of 1983 batch and voluntary retired from the Civil Services in 2014. During his tenure in the Civil Services before taking voluntary retirement, he had held various significant post in the state of Jharkhand such as Secretary in Department of Excise and Prohibition; Secretary in Department of Health, Medical Education & Family Welfare. Further, he had been a Board Member of XLRI, Jamshedpur and various Government Companies. His Area of Specialization includes Management, Administration and Technology.

He is Chairperson of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and member of Corporate Social Responsibility and Sustainable Development Committee and Risk Management Committee of the Company.

Shri Rabi Ranjan Sen (DIN: 09400040)

Prof. Rabi Ranjan Sen was born on 25.04.1974 aged about 51 years. He has completed his M.Phil in History from Jawaharlal Nehru University (JNU). He is an Associate Professor and Head of the Department of History at Katwa College, West Bengal. Further, he had been an Independent Director in Brahmaputra Valley Fertilizer Corporation Limited (BVFCL).

He is chairperson of Corporate Social Responsibility and Sustainable Development Committee and Risk Management Committee and member of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee of the Company.

Ms. Pinky Pradhan (DIN: 10222011)

Ms. Pinky Pradhan was born on 03.05.1975 aged about 50 years. She is a gold medalist in Mass Communication and Journalism from Utkal University in 2016. Further, she has also completed her LLB & B.SC (Botany Honours) from Utkal University.

She is an eminent Actress and Social Activist of Odisha.

She is member of Audit Committee, Nomination and Remuneration Committee, and Corporate Social Responsibility and Sustainable Development Committee of the Company.

Registered Office:
Scope Complex, Core-III,
7, Institutional Area, Lodhi Road,
New Delhi-110003

Date: 29th August, 2025

For and on behalf of the Board of Directors

(Dr. U. Saravanan)
Chairman & Managing Director
DIN: 07274628



CORPORATE OFFICE



VIJAIPUR I & II PLANT



BATHINDA PLANT



NANGAL PLANT



PANIPAT PLANT

AUDITED FINANCIAL STATEMENTS 2024-2025



Auditor's Report

Dhawan & Co.
Chartered Accountants,
312, Wegmans House,
21-Veer Savarkar Block,
Vikas Marg, Shakarpur,
Delhi-110092

R S P H & Associates,
Chartered Accountants,
906, Vikram Tower,
16-Rajendra Place,
New Delhi-110008

INDEPENDENT AUDITOR'S REPORT

To
The Members of
National Fertilizers Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of National Fertilizers Limited (hereinafter referred to as "the Company") which comprise the standalone balance sheet as at 31st March 2025, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of cash flows and the standalone statement of changes in equity for the year then ended and notes to the financial statements including a summary of the material accounting policies and other explanatory information (herein after 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 ("IND AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the company as at 31st March 2025, its Profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matter

We draw attention to:

(i) Note No. 37A(ii) of accompanying standalone financial statements regarding recognition of revenue for adversity of subsidy amounting to ₹ 134.14 Crore on the basis of DOF letter for "No Profit – No Loss" basis.

(ii) Note No. 37A(iii) of accompanying standalone financial statements which describes the recognition of revenue of ₹ 323.92 Crore and recognition of disadvantage of ₹ 18.17 Crore in inventory on account of advantage/disadvantage on upward/downward trend in CFR prices of imported P&K Fertilizers.

(iii) Note No. 37A(iv) of accompanying standalone financial statements which describes the recognition of subsidy of ₹ 174.54 Crore towards special package of ₹ 3,500 PMT of DAP to meet 'other cost' over and above the subsidy under Nutrient Based Subsidy Scheme.

Our opinion is not modified in respect of above matters.

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. Summary of the same is mentioned here under:

S.No.	Key Audit Matter	Response to Key Audit Matter
1	**Revenue recognition** Recognition of subsidy is made on the basis of in-principle recognition / approval / orders settlement of claims from Fertilizer Industry Coordination Committee (FICC), Department of Fertilizers (DoF), Government of India, while finalizing the financial statements. Also the FICC regulates such subsidy and the bills raised on such notifications. Escalation/de-escalation in notified rates is estimated taking into account the effect of guidelines, policies, instructions and clarifications given. Since there is a time lag between actual expenditure incurred and notification of concession rates for the year, management exercises significant judgment in arriving at the income entitled on account of same for the year. Therefore, there is a risk of revenue being misstated on account of estimation of concession/ Import Parity Price (IPP) rates yet to be notified. Regarding process of Collection, utilization and retention of Retailer Margin.	**Principal Audit Procedures** The following principal audit procedures have been performed by us in relation to revenue recognition: a) We have reviewed the company's material accounting policies for Revenue Recognition (Refer Note No. 1.2.3 (b) of the standalone financial statements), relevant Notifications and Circulars issued by the DoF, Government of India. b) We have carried out substantive procedures on sample basis for evaluation of operating effectiveness of key controls over subsidy and each income stream, basis of management estimation and their corresponding disclosure. c) We have reviewed directions of FICC, various Notifications/orders issued from time to time and management assessment in relation to retailer margin.
2	**Estimation of Provision & Contingent Liabilities** The company has its operations in various States within India, exposing it to a variety of different Central and State laws. Litigations and claims	**Principal Audit Procedures** Our audit process involved understanding of identification process relating to litigations, claims and contingent liabilities.

	may arise from direct and indirect tax proceedings. Resolution of litigations and claims proceedings may span over multiple years beyond 31st March 2025. The determination of a provision or contingent liability requires significant judgement by the company because of the inherent complexity in estimating future liabilities. The company has reported contingent liabilities amounting to ₹ 454.40 Crores in Note No. 50 to standalone financial statement. The provisions and contingent liabilities are subject to changes in the outcomes of litigations and claims over time as new facts emerge as each legal case progresses and positions taken by the company. There is an inherent complexity in estimations of magnitude of potential exposures. Significant judgment is required to estimate the likelihood amount of cash outflows, timing based on interpretations of the legal aspects, opinions, demand notices, relevant judgements etc.	We have evaluated the design and testing the operating effectiveness of controls in respect of process. We have evaluated management's assessment of the likely outcome and potential exposures arising from significant contingencies subject to ongoing court cases and arbitration proceedings and considered the requirements for any provision as per the best estimate of the possible expenditure. In respect of significant claims, we checked the amount of claim, nature of issues involved, management submissions and corroborated the same with external evidence, where ever available.
3	**Trade receivables** Trade Receivables appearing in financial statement consists of receivables from sale of products as well as receivable from Government of India in the form of subsidy. Trade Receivables amounting to ₹ 3273.30 crores including subsidy receivable of ₹ 3001.52 crores were outstanding as at 31st March 2025. Refer Note No. 13 to the Standalone Financial Statements.	**Principal Audit Procedures** Our audit approach was a combination of test of internal controls and substantive procedures which included the following: a) In respect of Subsidy recoverable from Government of India, as no confirmation of balance is on record, we have relied on the management's assertion and estimates on the recoverability. As subsidy receivable is outstanding from Department of Fertilizer, Government of India (i.e. Sovereign Authority) and is backed by the approved claims generated from MFMS (Mobile Fertilizer Management System), amount outstanding as at balance sheet date has been considered as recoverable (net of provisions). b) In respect of receivables other than subsidy receivables, management have sent request for confirmation from the parties. The response to the request was checked together,

		subsequent realisation check was also performed and long outstanding balances have been reviewed.
4	**Property, Plant and Equipment** Management judgment is applied for determining the carrying value of property, plant and equipment, intangible assets and their respective depreciation/amortization rates. These include the decision to capitalize or expense costs; the annual asset life review; the timelines of the capitalization/decapitalization of assets and the measurement and recognition criteria for assets retired from active use. Refer material accounting policy no 1.2.9 to the Standalone Financial Statements	**Principal Audit Procedures** a) Testing of controls in place over the fixed assets cycle, b) Evaluation of appropriateness of capitalization process. Performed tests to verify the capitalized costs, c) Assessment of the timelines of the capitalization of the assets and assessed the derecognition criteria for assets retired from active use. d) The useful life of assets has been assessed made by the management. In performing these procedures, we reviewed the judgments made by management for the following: (i) Identification of the nature of underlying costs capitalized, (ii) Determination of realizable value of the assets retired from active use, (iii) Appropriateness of asset lives applied in the calculation of depreciation/ amortization, (iv) Useful lives of assets prescribed in Schedule II of the Companies Act, 2013.
5	**Implementation of SAP** Effective January 1, 2025, the Company undertook a significant system transition, moving from its previously used Oracle-based ERP to a new SAP ERP system. This transition has significant implications given the essential role of ERP systems in ensuring the completeness, accuracy, reliability, and integrity of financial data and reports. The period from January 1, 2025, to March 31, 2025, marked the initial implementation phase, during which all business transactions were exclusively processed through various SAP ERP modules implemented in phased manner. This transition required substantial data migration, inherent complexities involved in mapping financial data between two different systems. Considering the extensive and	**Principal Audit Procedures Performed:** a. Conducted a detailed review of the ERP implementation strategy and governance framework established by management, focusing on planning, execution timelines, project management, risk mitigation strategies, and oversight mechanisms. b. Evaluated the controls and processes implemented for data migration from Oracle ERP to SAP ERP, performing detailed reconciliations of opening balances, transaction records, and account balances as at January 1, 2025, to the closing balances recorded in Oracle ERP as at

	critical nature of this transition, along with the potential risks associated with data migration errors, system integration issues, and changes in internal control activities, we identified this as a key audit matter. Refer Note No. 63 to the Standalone Financial Statements	December 31, 2024, to ensure completeness and accuracy along with review of data migration audit report by the external expert. c. Assessed the adequacy and effectiveness of training provided to users responsible for operating the SAP ERP system, reviewed training attendance records, training materials, and user feedback documentation to ensure sufficient knowledge and understanding for accurate ERP usage. d. Evaluated the design and operating effectiveness of internal controls established within the SAP ERP environment, including those controls relating to authorization, transaction initiation, data processing, segregation of duties, and financial reporting. e. Conducted extensive substantive testing on transaction data recorded within the SAP ERP system during the initial quarter post-implementation, assessing for completeness, accuracy, validity, classification, and cutoff, by tracing transactions to supporting documentation. f. Reviewed and validated key financial data generated by the SAP ERP system during the period from January 1, 2025, to March 31, 2025, ensuring that the data presented was consistent, accurate, reliable, and adequately supported by underlying accounting records and transaction documentation.

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

The company's management and board of directors are responsible for the preparation of other information. The other information comprises the Management Discussion and Analysis, Director's Report including annexures to Director's Report, Business Responsibility Report, Corporate Governance, Performance at a Glance and Chairman's Statement included in the annual report of the Company 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 and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of audit, or otherwise appears to be materially misstated. On reading the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as per applicable laws and regulations. We have nothing to report in this regard.

Responsibilities of Management and those charged with Governance for the Standalone Financial Statements

The Company's management and board of directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the IND AS prescribed under section 133 of the Act read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility 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 financial controls 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 and the board of directors.

- Conclude on the appropriateness of the management and the board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the company 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 Statement 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 achieve fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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

2. As required by Section 143(5) of the Act, we have considered the directions issued by the Comptroller & Auditor General of India. We give our report in the attached **“Annexure B”**.

3. 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 standalone balance sheet, the standalone statement of profit and loss, the standalone statement of cash flows and the standalone statement of changes in equity dealt with by this report are in agreement with the books of account.

(d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting

Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

(e) Notification number G.S.R. 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, section 164(2) of the Act regarding disqualifications of directors is not applicable to the company, since it is a Government Company.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure C". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.

(g) Notification number G.S.R. 463 (E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, section 197 of the Act regarding remuneration to director is not applicable to the company, since it is a Government Company; and

(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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note No. 50 to the standalone financial statements.

ii. The company did not have any long-term contract including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries");
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

v. The final dividend paid by the Company during the year ended 31st March 2025 in respect of dividend declared for the previous year is in accordance with section 123 of the Act to the extent it

applies to payment of dividend. The Company has not declared and paid interim dividend during the year ended 31st March 2025.

vi. As required, maintenance of audit trail in accounting software under Rule 11(g) of the Companies (Audit and Auditor's) Rules, 2014, we have to report as under;

a. Based on our examination which included test checks, except for the instances mentioned in Para b and c below, the Company has used Oracle System (Accounting Software for recording financial transactions) till 31st December 2024 and SAP ERP System w.e.f 1st January 2025 for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software.

Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

b. The Company was using different software/application for recording Payroll, sales transactions and for maintaining price store ledgers for stores and spares items till 31.12.2024. The data generated through these systems do not auto feed to the Oracle System and its summary is manually posted in Oracle System till 29th June 2024. Audit trail (edit logs) for any changes made at the application level in the aforesaid systems was not enabled till 29th June 2024 and w.e.f 30th June 2024 till 31st December, 2024 the audit trail features of the said systems was enabled and operated in the Oracle system. Subsequently, w.e.f. 1st January 2025, the Company has fully migrated these functions to SAP ERP, wherein audit trail (edit log) features have been incorporated and remain enabled for the period from 1st January 2025 to 31st March 2025.

c. Beside this, the Company has maintained an audit trail feature at the database level throughout the year. However, for the period from 1st April 2024 to 31st December 2024, the said audit log doesn't have the feature what data was changed. Subsequent to the implementation of SAP ERP from 1st January 2025, the said feature has been enabled

For Dhawan & Co.
Chartered Accountants
Firm's Registration No.: 002864N

Deeksha Kapoor
Partner
M. No.: 460453
UDIN No. : 25460453BNUIFG2563

For R S P H & Associates
Chartered Accountants
Firm's Registration No.: 003013N

Tarun Kumar Batra
Partner
M. No.: 094318
UDIN No.: 25094318BMNATM9560

Place: Noida
Date: 30-05-2025

'ANNEXURE A' to Independent Auditor's Report on the Standalone Financial Statements of National Fertilizers Limited for the year ended 31st March 2025

(Referred to in para 1 under 'Report on Other Legal and Regularity Requirements' section of our report of even date)

To the best of our information and according to the explanations provided to us by the company and the books of account and records examined by us in the normal course of audit, we report that:

(i) (a) (A) The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment 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 regular program of physical verification of Property, Plant & Equipment and right-of-use assets by which all the assets are verified in a phased manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. Accordingly, the physical verification of property, plant and equipment has been carried out by the management during the year. We are informed that discrepancies noticed on such verification were not material and have been properly dealt with in the books of account. Further, as per the Government directions, the company have installed PoS devices at different retail points, for which no physical verification is carried out.

(c) The title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the company except the following:

Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Property held since which date	Reason for not being held in name of company
Freehold Land at Bhatinda	₹. 0.15 crores	Government of Punjab	No	11.02.1988 10.03.1988 20.01.1988 21.01.1988 23.05.1984	Out of 685.301 Acres of land, 14.261 Acres of land for construction of Fertilizers Minor was acquired at the cost of NFL but there is no provision in the Government rules to transfer the ownership of Government Property.
Leasehold Land at Vijaipur	Nil*	Government of Madhya Pradesh	No	12.07.1984	Lease Deed is not yet executed.
Freehold Land at Alwar	₹ 1	Urban Improvement Trust, Alwar	No	05.04.1986	As informed, the land has not yet been registered in the name of NFL due to ongoing litigation between Urban Improvement Trust, Alwar and the concerned farmers.

3190.46 Sq Mtrs in Core - III, SCOPE Complex, Lodhi Road, New Delhi under Investment Property	₹ 1.18 crores	Standing Conference of Public Enterprises (SCOPE)	No	19.10.1979	There is no title deed in favour of the company, however, as informed, the company is a deemed owner of the property.

* The deemed cost of Leasehold Land at Vijaipur Unit as on 01.04.2015 (Transition to Ind AS) was Nil.

Further, symbolic possession of 325.70 acres of land at Nangal (having gross carrying value ₹ 0.12 crores) was taken by the Punjab Government on 29.10.1998 by an order against which the company has filed a Civil Writ Petition in the Punjab & Haryana High Court and the matter is sub-judice.

Also, there is a litigation in respect of land measuring 1.7 acres approx., which is not in possession of the company, before Punjab & Haryana High Court, Chandigarh. The Regular Second Appeal (RSA) preferred by appellant is pending wherein Hon'ble High Court has ordered status-quo in the matter.

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

(e) No proceedings have been initiated during the year or are pending against the company as at 31st March 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The physical verification of the inventory, except material in transit, has been conducted by the management in accordance with the perpetual inventory programme, at regular intervals during the year and the coverage and procedure of such verification is appropriate. The discrepancies noticed on verification have been properly dealt with in the books of account. No discrepancy of 10% or more in the aggregate for each class of inventory was noticed.

(b) The company has been sanctioned working capital limits in excess of rupees five crore, in aggregate, from banks or financial institutions which are secured on the basis of security of current assets. The quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the company except as disclosed below for variation. (Refer Note 64 I to the financial statements):

₹ in Crore

Quarter Ended	Name of the Bank	Particular of Security Provided	Amount as per Books of Accounts	Amount as reported in the Quarterly statement/report	Amount of variance
June 2024	State Bank of India	Inventories Trade Receivable Trade Payable	852.90 5287.65 1638.15	930.54 6847.69 944.91	(77.64) (1560.04) 693.24
September 2024	State Bank of India	Inventories Trade Receivable Trade Payable	998.86 2410.15 1574.22	730.97 3267.81 1258.42	267.89 (857.66) 315.80

December 2024	State Bank of India	Inventories Trade Receivable Trade Payable	866.87 3243.83 1585.52	787.22 3091.02 1033.88	79.65 152.81 551.64
March 2025	State Bank of India	Inventories Trade Receivable Trade Payable	910.58 3265.22 1537.27	1025.69 2760.28 876.02	(115.11) 504.94 661.25

(iii) The company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year and hence reporting under clause 3(iii)(a), (b), (c), (d), (e) and (f) of the Order is not applicable.

(ii) The company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees and security made.

(iii) The company has not accepted any deposits within the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable.

(iv) We have broadly reviewed the cost records maintained by the company specified by Central Government under Sub Section (1) of section 148 of the Act, and are of the opinion that prima facie the prescribed records have been maintained. We have, however, not made a detailed examination of the Cost Records with a view to determine whether they are accurate or complete.

(v) (a) The company is generally regular in depositing, with the appropriate authorities, undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income tax, Sales tax, Service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues. Further, no undisputed amounts remain payable in respect of such statutory liabilities as at 31st March 2025 for a period of more than six months from the date they became payable.

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

Name of Statute	Nature of Dues	Gross Disputed Amount (₹ in crores)	Amount Deposited under protest/ adjusted by the Tax Authorities	Amount not Deposited (₹ in crores)	Period to which the amount relates	Forum where the dispute is pending
Punjab State GST Act	GST	0.05	0.01	0.04	2017-18	Appellate Authority GST
Punjab Municipal Act	Property Tax	1.07	0.06	1.01	FY 2007-08 to 2009-10	Punjab & Haryana High Court
Punjab Municipal Act	Property Tax	0.1	-	0.1	FY 1982-83 to 1991-92	Punjab & Haryana High Court

CGST/SGST/ IGST Act 2017	GST	10.69	0.51	10.18	FY 2018-19	Commissioner (Appeals), Patiala
CGST/SGST/ IGST Act 2017	GST	0.29	0.01	0.28	FY 2019-20	Commissioner (Appeals), Patiala
CGST/SGST/ IGST Act 2017	GST	2.42	0.13	2.29	FY 2020-21	Commissioner (Appeals), Patiala
Punjab Municipal Act	Property Tax	0.88	-	0.88	FY 2013-14 to 2022-23	Principal secretary Appellate Authority
MP Vidhyut Shulk Adhiniyam 2012	Electricity Generation Duty & Cess	0.47	-	0.47	2008-09 to 2012-13	MP High Court, Jabalpur Bench, Gwalior
M P Entry Tax Act, 1976	Entry Tax	0.03	0.01	0.02	2010-11	The Hon'ble High Court, Gwalior, M.P
M P Entry Tax Act, 1976	Entry Tax	0.02	-	0.02	2013-14	Additional Commissioner, Gwalior
M P Entry Tax Act, 1976	Entry Tax	0.03	0.01	0.02	2014-15	Madhya Pradesh Commercial Tax Appellate Board Bhopal
M PEntry Tax Act, 1976	Entry Tax	0.03	0.01	0.02	2016-17	Additional Commissioner, Gwalior
Muncipal Corporation Bathinda	Octroi Charges	0.40	-	0.40	FY1998-99, 1991-92	Punjab and Haryana Court
Finance Act	Service Tax, Interest and Penalty on Service Tax	0.33	-	0.33	FY 2012-13 (01.07.2012) to FY 2014-15 (Dec-14)	CESTAT, Chandigarh
Central Excise Act	Excise Duty	3.56	-	3.56	2013-14	CESTAT, Ahemadbad
The Haryana Local Area Development Tax Act, 2000	Entry Tax	6.72	-	6.72	2000-01 to 2002-03	Joint Excise & Taxation Commissioner, Rohtak
CGST/SGST/IGST Act 2017	GST	0.87	0.04	0.83	FY 2017-18	Commissioner (Appeals), Panchkula
CGST/SGST/IGST Act 2017	GST	2.94	0.13	2.81	FY 2017-18	Commissioner (Appeals), Rohtak
Income Tax Act, 1961	Income Tax	0.71	-	0.71	AY 2012-13	CIT (Appeals)

Income Tax Act, 1961	Income Tax	17.91	-	17.91	AY 2017-18	CIT (Appeals)
Income Tax Act, 1961	Income Tax	10.57	-	10.57	AY 2018-19	CIT (Appeals)
CGST/SGST/IGST Act 2017	GST	0.15	0.01	0.14	F Y 2019-2020	Commission (Appeals), Bhubaneswar
CGST/SGST/IGST Act 2017	GST	0.06	-	0.06	F Y 2017-18	Commission (Appeals), Bhubaneswar
CGST/SGST/IGST Act 2017	GST	0.3	-	0.3	F Y 2018-19	Commission (Appeals), Bhubaneswar
CGST/SGST/IGST Act 2017	GST	94.85	-	94.85	F Y 2017-18-2021-2022	Appeal yet to be filled. The period to file the appeal is not yet expired.
CGST/SGST/IGST Act 2017	GST	0.14	0.01	0.13	F Y 2018-19	Commission (Appeals), Bhubaneswar
CGST/SGST/IGST Act 2017	GST	12.34	0.62	11.72	F Y 2017-18	Commission (Appeals), Ahmedabad
CGST/SGST/IGST Act 2017	GST	2.50	0.25	2.25	F Y 2017-18	Commission (Appeals), Ahmedabad
CGST/SGST/IGST Act 2017	GST	1.46	0.08	1.38	F Y 2020-21	Commission (Appeals), Bihar
CGST/SGST/IGST Act 2017	GST	0.28	0.01	0.27	F Y 2019-20	Commission (Appeals), Kolkata
CGST/SGST/IGST Act 2017	GST	0.05	-	0.05	F Y 2019-20	Commission (Appeals), Bihar
CGST/SGST/IGST Act 2017	GST	0.06	-	0.06	F Y 2018-19	Commission (Appeals), Bihar
CGST/SGST/IGST Act 2017	GST	29.09	1.42	27.67	F Y 2017-18 to 2021-22	Commission (Appeals), Gujarat
CGST/SGST/IGST Act 2017	GST	29.17	1.72	27.45	F Y 2020-21	Commission (Appeals), Gujarat
CGST/SGST/IGST Act 2017	GST	2.02	0.09	1.93	FY 2017-18	Commissioner (Appeals), Bihar
CGST/SGST/IGST Act 2017	GST	0.21	0.01	0.20	FY 2017-18	Commissioner (Appeals), Sriganganagar

CGST/SGST/IGST Act 2017	GST	0.42	0.04	0.38	FY 2017-18	Commissioner (Appeals), Lucknow
CGST/SGST/IGST Act 2017	GST	0.90	0.09	0.81	FY 2017-18 to FY 19-20	Commissioner (Appeals), Lucknow

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender/dues to any bank or bonds/debenture holders as at the Balance Sheet date.

(b) The company has not been declared wilful defaulter by any bank or financial institution or other lender.

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) Based on an overall examination of the standalone financial statements 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) Based on an overall examination of the standalone financial statements 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 joint ventures.

(f) The company has not raised any loans during the year on the pledge of securities held in its joint ventures.

(x) (a) The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(x)(a) of the Order is not applicable.

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

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

(b) We have not submitted any report under sub-section (12) of section 143 of the Companies Act, 2013 in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditor's) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

(xii) The company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion, the company is in compliance with Section 177 and 188 of the Act with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

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

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

(xv) The company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) (a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of clause (xvi)(a) of the Order are not applicable to the Company.

(b) According to the information and explanations provided to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Therefore, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of clause 3(xvi)(b) of the Order are not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, provisions of clause 3(xvi)(c) of the Order are not applicable to the Company.

(d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Accordingly, provisions of clause 3(xvi)(d) of the Order are not applicable to the Company.

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

(xviii) There has been no resignation of the statutory auditor's of the company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the board of directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act, in compliance with second proviso to sub section 5 of section 135 of the Act.

(b) In respect of ongoing projects, there are no unspent amounts that are required to be transferred to a special account in compliance with the provision of sub-section (6) of section 135 of the said Act.

For Dhawan & Co.
Chartered Accountants
Firm's Registration No.: 002864N

Deeksha Kapoor
Partner
M. No.: 460453
UDIN No. : 25460453BNUIFG2563

For R S P H & Associates
Chartered Accountants
Firm's Registration No.: 003013N

Tarun Kumar Batra
Partner
M. No.: 094318
UDIN No.: 25094318BMNATM9560

Place: Noida
Date: 30-05-2025

'ANNEXURE B' to Independent Auditor's Report on the Standalone Financial Statements of National Fertilizers Limited for the year ended 31st March 2025

(Referred to in para 2 under 'Report on Other Legal and Regularity Requirements' section of our report of even date)

COMPLIANCE CERTIFICATE

We have conducted the audit of the accounts of National Fertilizers Limited for the year ended 31st March 2025 in accordance with the Directions issued by the C&AG of India under Section 143(5) of the Companies Act, 2013 and certify that we have complied with all the directions issued to us.

For Dhawan & Co.
Chartered Accountants
Firm's Registration No.: 002864N

Deeksha Kapoor
Partner
M. No.: 460453
UDIN No. : 25460453BNUIFG2563

For R S P H & Associates
Chartered Accountants
Firm's Registration No.: 003013N

Tarun Kumar Batra
Partner
M. No.: 094318
UDIN No.: 25094318BMNATM9560

Place: Noida
Date: 30-05-2025

Enclosed: Direction u/s 143(5) are attached

AUDIT REPORT OF NATIONAL FERTILIZERS LIMITED FOR THE YEAR 2024 -2025 PURSUANT TO DIRECTIONS UNDER SECTION 143(5) OF THE COMPANIES ACT, 2013

I. Directions u/s 143 (5) for the year 2024-25

1. **Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.**

   Yes, the company has a system in place to process the majority of the accounting transactions through an IT system. Until 31st December 2024, the company was using Oracle ERP to record and process its financial transactions. Effective from 1st January 2025, the company has migrated to SAP ERP system.

   However, the following transactions continue to be processed outside the integrated ERP environment, as was the case earlier:

   a. Valuation of Inventories as per Principles of Ind AS;

   b. Calculation of subsidy on Urea production (through GC-4 system);

   These processes are carried out outside the SAP ERP system using spreadsheets and other external tools, and the summarized results are entered into the ERP system manually.

2. **Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government Company, then this direction is also applicable for statutory auditor of the lender company).**

   Based on Audit Procedure performed by us and as per the information and explanation given to us, there has been no restructuring of an existing loan or cases of waiver/write off of debts/ loans/interest etc. made by a lender to the company.

3. **Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.**

   Funds received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utilized as per its terms and conditions.

For Dhawan & Co.
Chartered Accountants
Firm's Registration No.: 002864N

Deeksha Kapoor
Partner
M. No.: 460453
UDIN No. : 25460453BNUIFG2563

For R S P H & Associates
Chartered Accountants
Firm's Registration No.: 003013N

Tarun Kumar Batra
Partner
M. No.: 094318
UDIN No.: 25094318BMNATM9560

Place: Noida
Date: 30-05-2025

'ANNEXURE C' to Independent Auditor's Report on the Standalone Financial Statements of National Fertilizers Limited for the year ended 31st March 2025

(Referred to in para 3(f) under 'Report on Other Legal and Regularity Requirement's 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 over financial reporting of National Fertilizers Limited (hereinafter referred to as "the Company") as of 31st March 2025 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal

financial control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Over Financial Reporting

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

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2025, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Dhawan & Co.
Chartered Accountants
Firm's Registration No.: 002864N

Deeksha Kapoor
Partner
M. No.: 460453
UDIN No. : 25460453BNUIFG2563

For R S P H & Associates
Chartered Accountants
Firm's Registration No.: 003013N

Tarun Kumar Batra
Partner
M. No.: 094318
UDIN No.: 25094318BMNATM9560

Place: Noida
Date: 30-05-2025

MANAGEMENT REPLIES TO THE OBSERVATION OF THE STATUTORY AUDITORS IN STANDALONE AUDIT REPORT OF NFL FOR FY 2024-25.

S.No.	Statutory Auditors' observation	Comment of Management
1.	**Report on Other Legal and Regulatory Requirements** Sl. No. 3(h)vi. As required, maintenance of audit trail in accounting software under Rule 11(g) of the Companies (Audit and Auditor's) Rules, 2014, we have to report as under; a. Based on our examination which included test checks, except for the instances mentioned in Para b and c below, the Company has used Oracle System (Accounting Software for recording financial transactions) till 31st December 2024 and SAP ERP System w.e.f 1st January 2025 for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention. b. The Company was using different software/application for recording Payroll, sales transactions and for maintaining price store ledgers for stores and spares items till 31.12.2024. The data generated through these systems do not auto feed to the Oracle System and its summary is manually posted in Oracle System till 29th June 2024. Audit trail (edit logs) for any changes made at the application level in the aforesaid systems was not enabled till 29th June 2024 and w.e.f 30th June 2024 till 31st December,	No comment is required. The final data generated by different software / application posted in Oracle System (main accounting software for recording transactions) and company's financials are generated from Oracle System and not from software / applications. The company has implemented ERP w.e.f. 01.01.2025 which has inbuilt audit trail.

	2024 the audit trail features of the said systems was enabled and operated in the Oracle system. Subsequently, w.e.f. 1st January 2025, the Company has fully migrated these functions to SAP ERP, wherein audit trail (edit log) features have been incorporated and remain enabled for the period from 1st January 2025 to 31st March 2025.	
	c. Beside this, the Company has maintained an audit trail feature at the database level throughout the year. However, for the period from 1st April 2024 to 31st December 2024, the said audit log doesn't have the feature what data was changed. Subsequent to the implementation of SAP ERP from 1st January 2025, the said feature has been enabled.	The data generated on Oracle System has log features as standard configuration. The audit log can be generated in readable format.

Standalone Balance Sheet as at 31.03.2025

₹ in Crore

Particulars	Note No.	As at 31st March 2025	As at 31st March 2024
I. ASSETS			
(1) NON-CURRENT ASSETS			
a) Property, Plant and Equipment	2	3640.26	3826.56
b) Right-of-Use Assets	3	5.04	2.12
c) Investment Property	4	0.85	0.89
d) Capital Work in Progress	5	171.53	207.50
e) Other Intangible Assets	6	47.67	1.35
f) Intangible assets under development	7	-	34.37
g) Financial Assets			
i) Investments	8	491.48	491.48
ii) Loans	9	6.02	7.70
iii) Other Financial Assets	10	30.87	33.65
h) Other Non-Current Assets	11	22.72	93.42
		4416.44	**4699.04**
(2) CURRENT ASSETS			
a) Inventories	12	910.53	1749.67
b) Financial Assets			
i) Trade Receivables	13	3273.30	4037.09
ii) Cash and Cash Equivalents	14	17.81	29.36
iii) Other Bank Balances	15	14.97	8.58
iv) Loans	16	10.23	8.42
v) Other Financial Assets	17	109.32	147.80
c) Current Tax Assets (Net)	18	-	12.93
d) Other Current Assets	19	605.13	642.59
		4941.29	**6636.44**
(3) Non Current Assets held for Disposal	20	1.30	16.94
		9359.03	**11352.42**
II. EQUITY AND LIABILITIES			
(1) EQUITY			
(a) Equity Share Capital	21	490.58	490.58
(b) Other Equity	22	2273.39	2210.51
		2763.97	**2701.09**
LIABILITIES			
(2) NON-CURRENT LIABILITIES			
a) Financial Liabilities			
i) Lease Liabilities	23	3.43	1.42
ii) Other Financial Liabilities	24	18.53	21.97
b) Provisions	25	212.81	212.26
c) Deferred Government Grant	26	1362.80	1554.86
d) Deferred Tax Liabilities (Net)	27	83.55	74.87
e) Other Non-Current Liabilities	28	5.07	6.36
		1686.19	**1871.74**
(3) CURRENT LIABILITIES			
a) Financial Liabilities			
i) Borrowings	29	1995.77	4088.33
ii) Lease Liabilities	30	1.85	0.98
iii) Trade Payables	31		
- Micro and Small Enterprises		29.30	12.77
- Other than Micro and Small Enterprises		1507.97	1335.62
iv) Other Financial Liabilities	32	841.50	854.96
b) Provisions	33	147.88	126.75
c) Deferred Government Grant	34	191.97	196.93
d) Current Tax Liabilities (Net)	35	18.01	-
e) Other Current Liabilities	36	174.62	163.25
		4908.87	**6779.59**
		9359.03	**11352.42**

Material accounting policies 1

The accompanying notes forms an integral part of these financial statements

For and on behalf of the Board of Directors

(Ashok Jha)
Company Secretary
A-14100

(Hira Nand)
Director (Finance)
DIN No. 09476034

(Dr. U. Saravanan)
Chairman & Managing Director
DIN No. 07274628

As per our report of even date attached

For Dhawan & Co.
Chartered Accountants
Firm Regd. No. 002864N

(Deeksha Kapoor)
Partner
Membership No. 460453

For RSPH & Associates
Chartered Accountants
Firm Regd. No. 003013N

(Tarun Kumar Batra)
Partner
Membership No.094318

Place: Noida
Date: 30.05.2025

Standalone Statement of Profit and Loss for the year ended 31.03.2025

₹ in Crore

Particulars	Note No.	Year Ended 31st March 2025	Year Ended 31st March 2024
Revenue			
Revenue from Operations	37	19794.50	23560.31
Other Income	38	95.02	110.31
Total Income (I)		**19889.52**	**23670.62**
Expenses			
Cost of Materials Consumed	39	7236.29	7648.99
Purchase of Stock- in- Trade	40	4260.57	6985.12
Changes in Inventories of Finished Goods, Work-in-Progress and Stock -in- Trade	41	862.61	1379.20
Employee Benefits Expense	42	610.00	635.50
Power and Fuel	43	4872.24	4732.54
Freight and Handling		935.25	1152.03
Repairs and Maintenance	44	118.70	113.65
Finance Cost	45	225.68	267.30
Depreciation and Amortization Expense	46	373.00	361.68
Other Expenses	47	291.10	306.09
Total Expenses (II)		**19785.44**	**23582.10**
Profit / (Loss) before exceptional item and tax (III) = (I) - (II)		**104.08**	**88.52**
Exceptional Item (IV)		-	-
Profit/(Loss) before Tax (V)=(III)-(IV)		**104.08**	**88.52**
Tax expenses	48		
Current tax		19.30	14.94
Deferred tax		8.73	7.45
Short / (Excess) tax for earlier years		(0.21)	1.39
Total Tax Expense (VI)		**27.82**	**23.78**
Profit/(Loss) for the year (VII)=(V)-(VI)		**76.26**	**64.74**
Other Comprehensive Income			
Items that will not be reclassified to Profit & Loss			
Remeasurement of Defined Employee Benefit obligations		(0.18)	(0.82)
Income Tax relating to above items		0.05	0.21
Other Comprehensive Income (net of tax) (VIII)		**(0.13)**	**(0.61)**
Total Comprehensive Income (IX) = (VII) + (VIII)		**76.13**	**64.13**
Earnings per share	49		
Basic earnings per share of ₹10 each		**1.55**	**1.32**
Diluted earnings per share of ₹10 each		**1.55**	**1.32**

Material accounting policies 1

The accompanying notes forms an integral part of these financial statements

For and on behalf of the Board of Directors

(Ashok Jha)
Company Secretary
A-14100

(Hira Nand)
Director (Finance)
DIN No. 09476034

(Dr. U. Saravanan)
Chairman & Managing Director
DIN No. 07274628

As per our report of even date attached

For Dhawan & Co.
Chartered Accountants
Firm Regd. No. 002864N

(Deeksha Kapoor)
Partner
Membership No. 460453

For RSPH & Associates
Chartered Accountants
Firm Regd. No. 003013N

(Tarun Kumar Batra)
Partner
Membership No.094318

Place: Noida
Date: 30.05.2025

Standalone Statement of Cash Flows for the year ended 31.03.2025

₹ in Crore

			Year Ended 31st March 2025	Year Ended 31st March 2024
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**			
	Net Profit/(Loss) Before Tax		**104.08**	**88.52**
	Adjustments For :			
	Depreciation / Amortization		373.00	361.68
	Finance Charges		225.68	267.30
	Amortisation of Deferred Govt Grant		(192.56)	(192.27)
	Interest Income		(7.87)	(26.00)
	Profit on Sale of Fixed Assets		(15.32)	(9.12)
	Exchange Rate Variation (Net)		12.61	22.36
	Provision for Doubtful Debts/ Advances		3.87	3.58
	Provision for Obsolete/Surplus Stores		1.31	0.46
	Provision for GST		(3.05)	4.44
	Provisions no longer required written back		-	-
	Stores and Spares write offs		4.06	3.18
	Assets Written off		0.13	0.60
	Advance Written off		-	-
	Other Write off		0.06	0.06
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**506.00**	**524.79**
	Adjustments For :			
	Trade and Other Receivables		848.13	5.84
	Inventories		833.71	1316.44
	Trade Payables, Provisions & Others Liabilities		229.08	(1261.84)
	Direct Taxes paid		65.38	(2.43)
	NET CASH FROM OPERATING ACTIVITIES	**"A"**	**2482.30**	**582.80**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Payment for purchase of PPE (including CWIP)		(204.03)	(292.47)
	Proceeds from disposal of PPE		32.15	9.94
	Interest Received		12.08	33.39
	NET CASH FROM INVESTING ACTIVITIES	**"B"**	**(159.80)**	**(249.14)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Increase/ (Decrease) in Working Capital Borrowings & Short Term Loans		(2092.56)	735.76
	Long Term Loan		-	(639.11)
	Interest Paid		(226.13)	(276.43)
	Dividend Paid		(13.25)	(136.87)
	Payment of Lease Liabilities		(2.11)	(0.86)
	NET CASH FROM FINANCING ACTIVITIES	**"C"**	**(2334.05)**	**(317.51)**
	NET INCREASE IN CASH AND CASH EQUIVALENTS	**(A+B+C)**	**(11.55)**	**16.15**
	Cash And Cash Equivalents (Closing Balance)		17.81	29.36
	Cash And Cash Equivalents (Opening Balance)		29.36	13.21
	NET INCREASE IN CASH AND CASH EQUIVALENTS		**(11.55)**	**16.15**
	Reconciliation of Cash and Cash Equivalents with the Balance Sheet			
	Components of Cash and Cash Equivalents (Note - 14)			
	Balances with banks			
	Current accounts		17.80	29.35
	Others (Franking Machines)		0.01	0.01
		Total	**17.81**	**29.36**

i) Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or 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 financing activities of the Company are segregated.
ii) Cash and Cash Equivalent includes earmarked balance in Amalgamated Fund of ₹ 0.59 crore (CPLY ₹ 0.57 crore) and Unspent CSR A/c of ₹ 1.58 crore (CPLY ₹ 1.54 crore).

For and on behalf of the Board of Directors

(Ashok Jha)
Company Secretary
A-14100

(Hira Nand)
Director (Finance)
DIN No. 09476034

(Dr. U. Saravanan)
Chairman & Managing Director
DIN No. 07274628

As per our report of even date attached

For Dhawan & Co.
Chartered Accountants
Firm Regd. No. 002864N

(Deeksha Kapoor)
Partner
Membership No. 460453

Place: Noida
Date: 30.05.2025

For RSPH & Associates
Chartered Accountants
Firm Regd. No. 003013N

(Tarun Kumar Batra)
Partner
Membership No.094318

Standalone Statement of Changes in Equity for the year ended 31.03.2025

A. Equity Share Capital

₹ in Crore

	Notes	Amount
As at 1st April 2023	21	490.58
Changes in Equity Share Capital due to prior period errors		-
Restated balance at the beginning of the current reporting period		-
Change in Equity Share Capital during the year		-
As at 31st March 2024		**490.58**
As at 1st April 2024	21	490.58
Changes in Equity Share Capital due to prior period errors		-
Restated balance at the beginning of the current reporting period		-
Change in Equity Share Capital during the year		-
As at 31st March 2025		**490.58**

B. Other Equity

₹ in Crore

Particulars	Reserve & Surplus			
	Capital Reserve	General Reserve	Retained Earning	Total
Opening balance as at 1st April 2023	2.51	331.84	1,948.90	2,283.25
Add: Profit for the year	-	-	`64.74	64.74
Add: Comprehensive income for the year	-	-	(0.61)	(0.61)
Total Comprehensive Income for the year	-	-	**64.13**	**64.13**
Dividend Paid	-	-	(136.87)	(136.87)
Transfer to/(from) retained earnings	-	-	-	-
Closing balance as at 31st March 2024	**2.51**	**331.84**	**1,876.16**	**2,210.51**
Opening balance as at 1st April 2024	2.51	331.84	1,876.16	2,210.51
Profit for the year	-	-	76.26	76.26
Comprehensive income for the year	-	-	(0.13)	(0.13)
Total Comprehensive Income for the year	-	-	**76.13**	**76.13**
Dividend Paid	-	-	(13.25)	(13.25)
Transfer to/(from) retained earnings	-	-	-	-
Closing Balance as at 31st March 2025	**2.51**	**331.84**	**1,939.04**	**2,273.39**

For and on behalf of the Board of Directors

(Ashok Jha)
Company Secretary
A-14100
As per our report of even date attached

(Hira Nand)
Director (Finance)
DIN No. 09476034

(Dr. U. Saravanan)
Chairman & Managing Director
DIN No. 07274628

For Dhawan & Co.
Chartered Accountants
Firm Regd. No. 002864N

(Deeksha Kapoor)
Partner
Membership No. 460453

For RSPH & Associates
Chartered Accountants
Firm Regd. No. 003013N

(Tarun Kumar Batra)
Partner
Membership No.094318

Place: Noida
Date: 30.05.2025

Notes to the Standalone Financial Statements and Material Accounting Policies Information

Company Overview and Material Accounting Policies Information

1.1 Company Overview

National Fertilizers Limited (the 'Company') is a company limited by shares, incorporated and domiciled in India. The company is engaged in production and marketing of Neem Coated Urea, Bio-Fertilizers (solid & liquid) and other allied Industrial products like Ammonia, Nitric Acid, Ammonium Nitrate, Sodium Nitrite and Sodium Nitrate. The Company is also engaged in trading of imported and domestic fertilizers, compost, seeds, agro chemicals and other Agro products. The registered office of the company is located at New Delhi, India. The Government of India is the principal shareholder of the company. The shares of the Company are listed on National Stock Exchange ("NSE") and the Bombay Stock Exchange ("BSE"), India.

The financial statements are approved for issue by the Company's Board of Directors on - 30.05.2025.

1.2 Material Accounting Policies

This note provides a list of the Material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.2.1 Basis of preparation

(a) Compliance with Ind AS

The Standalone financial statements prepared on accrual basis, as a going concern, comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015](as amended)and other relevant provisions of the Act.

The financial statements up to year ended 31 March 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

(b) Historical cost convention

The standalone financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) and contingent consideration that is measured at fair value;
- assets held for sale -measured at the lower of carrying amount and fair value less cost to sell; and
- defined benefit plans — plan assets measured at fair value

1.2.2 Use of estimates

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates and judgments affect the application of accounting policies and the reported amount of assets and liabilities, the disclosure of contingent assets and contingent liabilities at the date of financial statements and the reported amount of revenue and expenses during the period. Application of accounting policies that require critical accounting estimates involving judgments have been disclosed in note (1.2.3).

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of change in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

1.2.3 Critical Accounting Estimates and judgments

(a) Property Plant and Equipment:

Property, plant and equipment represent a significant proportion of the asset base of the company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(b) Revenue Recognition

Price and Freight Subsidy is measured based on principle/ notifications received from Fertilizer Industry Coordination Committee (FICC), an office of the Government of India which regulates such subsidy and the bills are raised based on such notifications. Escalation/De-escalation in notified rates is estimated taking into account the effect of guidelines, policies, instructions and clarifications given by the Government. The difference, if any, based on final notification received, is treated as current year income or expenditure and the effect of change in estimate, if material, is disclosed separately.

The recognition of subsidy on Nitrogenous (urea) Fertilizers manufactured by the company is governed by New Urea Policy (NUP)-2015, notified by the Department of Fertilizers, Ministry of Chemicals and Fertilizers and its amendments from time to time.

Subsidy on other traded Phosphatic and Potassic (P&K) Fertilizers are governed by Nutrient Based Subsidy (NBS) policy 2010, notified by the Department of Fertilizers, Ministry of Chemicals and Fertilizers and its amendments from time to time.

1.2.4 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Refer note 53 for segment information presented.

1.2.5 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (`the functional currency'). The financial statements are presented in Indian rupee (INR), which is the company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in Statement of Profit and Loss except in case of long term liability relating to acquisition of fixed assets acquired upto March 31, 2016, where the same are adjusted to carrying amount of such assets.

Foreign exchange gains and losses regarded as an adjustment to borrowing costs are charged 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 on a net basis within other gains/ (losses).

1.2.6 Revenue recognition

Revenue is recognized net of returns, trade allowances, rebates etc. when performance obligation is satisfied by transferring control of goods or services (i.e. an asset) to a customer and it is probable to collect the consideration.

Sale of scrap/ waste materials & Salvage is recognized on disposal.

1.2.7 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions.

Government grants relating to the purchase / acquisition of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

1.2.8 Income tax

Income tax comprises current and deferred income tax. Income 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 which case it is recognised in other comprehensive income or directly in equity, respectively. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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 not recognised for temporary differences between the carrying amount and tax bases of investments in Joint Ventures where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

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.

1.2.9 Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost less depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items.

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.

The carrying amount of any component accounted for as a separate asset, is derecognized where the carrying value of an asset to be replaced is not separately identifiable. It is derecognized on the basis of estimated/technical report. All other repairs and maintenance are charged to profit or loss account during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives which are aligned to useful life specified under Schedule II of the Companies Act, 2013 except for certain items of plant and machinery which are depreciated as below:

a)	Reformer Package and Instrumentation:	15 years
b)	Heat Exchangers, compressor, pumps, turbines and CO2 Booster:	20 years

In respect of plant and machinery, computer and data processing units, residual value of five percent and rupee one in respect of asset acquired out of Govt Grant / retailer margin, capital spares and other Property Plant & Equipment assets is retained.

Leasehold land and buildings are amortized over the lease period. Buildings constructed over leasehold land are depreciated at the estimated useful life which is in line with useful life as specified under Schedule II of the Companies Act, 2013, where the lease period is beyond the useful life of the building.

Depreciation on Property Plant & Equipment whose actual cost does not exceed five thousand rupees, are provided at the rate of 100% and residual value of Rupee one is retained.

Spares that can be used only in connection with an item of Property Plant & Equipment are depreciated over a period not exceeding the useful life of the principal item.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Catalysts are capitalized and amortized based on estimated useful life as technically assessed.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other Income.

1.2.10 Investment Property

Investment Properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost including transaction cost. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment loss.

1.2.11 Intangible Assets

Intangible Assets are stated at cost less accumulated amortization and impairment.

License and process know-how having future economic benefits is amortized on straight line method over a period of ten years or license period, whichever is less.

Software, which is not integral part of related hardware, is treated as intangible asset and amortized on straight line method over a period of five years or its license period, whichever is less.

Intangible assets' useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

1.2.12 Capital Work in Progress

All revenue expenses incurred during construction period, which are exclusively attributable to acquisition/construction of fixed assets, are capitalised at the time of commissioning of assets.

Pre-project expenditure relating to projects which are considered unviable/closed is charged off to Revenue in the year of declaration/closure.

The capital work in progress includes construction stores including material in transit/equipment/services etc. received at site for use in the projects.

1.2.13 Leases

The Company as a lessee:

The company's lease asset classes primarily consist of leases for land, vehicle and office premises. 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.

At the date of commencement of the lease, the company recognises 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 recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised 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 and estimated restoration costs of the underlying asset where applicable. 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.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate of the company. Lease liabilities are remeasured to reflect any re-assessment, lease modification, or revised in-substance fixed lease payments, with a corresponding adjustment to the related right of use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to statement of profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease liabilities and ROU assets have been separately presented in the balance sheet and lease payments have been classified as financing cash flows.

The Company as a Lessor

Leases, for which the company is a lessor are classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right of use assets arising from the head lease.

For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature. The company need not to make any adjustment to the accounting for assets held as lessor as a result of adopting the new leasing standard.

1.2.14 Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher

of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non¬ financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.2.15 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks/ financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

1.2.16 Trade receivables

Trade receivables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

1.2.17 Inventories - Raw materials and stores, work in progress, packaging material and finished goods

Raw materials, packaging materials and stores and spares are stated at the lower of monthly weighted average cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of first-in first-out basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. MIT & MUI are valued at cost.

In case of stores and spares not moved for more than two years and upto five years, provision for obsolescence is made at five percent per annum (on straight line basis) and charged to revenue. In case of stores and spares which have not moved for more than five years/identified as surplus or obsolete, value is taken as certified by valuers and diminution, if any is charged to revenue.

Finished and semi-finished goods are valued at lower of weighted average cost and net realizable value based on the applicable concession/sale Price. In warehouses carrying Finished Goods of more than one Plant, the Plant wise finished stocks are determined on first-in-first-out basis and costs worked out accordingly.

Traded Fertilizers are valued at lower of cost determined on first-in-first-out basis and net realizable value.

Other Traded Goods are valued at lower of weighted average cost and net realizable value.

1.2.18 Investments and other financial assets

(a) Classification

The company classifies its financial assets 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 measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses arising from fair valuation 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.

(b) Measurement

Initial recognition

The company measures a financial asset at its fair value and, in the case of a financial asset not at fair value through profit or loss, at fair value including transaction costs that are directly attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement

Subsequent measurement of financial assets 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 financial assets:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.

Fair value through other comprehensive income (FVOCI): 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 (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss.

Investment in Joint Venture:

Investment in Joint venture is carried at cost in the financial statements.

(c) Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 59 details how the company determines whether there has been a significant increase in credit risk.

For trade receivables only, the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(d) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount of the dividend can be measured reliably.

(e) Derivatives

Derivatives are initially recognised at fair value and are subsequently re-measured to their fair value through profit or loss at the end of each reporting period.

1.2.19 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where 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 counterparty.

1.2.20 Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

1.2.21 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

1.2.22 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or

production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the statement of Profit and Loss Account in the period in which they are incurred.

1.2.23 Employee benefits

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the financial reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) Other long-term employee benefit obligations

The company provides following long term benefits:

i) Leave Encashment (Earned Leave/Sick Leave/Half Pay Leave)

ii) Long Service Award (LSA)

The liability for Leave encashment and Long term service awards are measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the financial reporting period using the projected unit credit method as calculated by Actuary. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation.

Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

(c) Post-employment obligations

The company operates the following post-employment schemes:

(i) defined benefit plans such as gratuity, provident fund, post retirement settlement benefits, social security benefits and employees' family economic rehabilitation scheme; and

(ii) defined contribution plans such as post-employment medical plan and pension plan.

(d) Defined Benefit Obligations

The defined benefit obligation (other than Provident Fund) is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The liability or asset recognised in the balance sheet in respect of defined benefit obligations (except Provident Fund) is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, if any.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized directly in other comprehensive income.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(e) Provident Fund

Contribution to provident fund is accounted for on accrual basis. The provident fund contributions are made by employee and company as monthly contribution equal to specified percentage of covered employee's salary to a trust administered by the company. The trust invests in specific designated instruments as permitted by Indian Law. The interest rate payable to the members of the trust is notified by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952. The company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

(f) Defined Contribution Plans

The company has a Post-Retirement Medical Benefits (PRMB) and pension plan for its employees. The company has taken the insurance policies to meet its obligations under these plans. Accordingly, the liability of the company is limited upto the amount of insurance premium paid. These plans have been treated as defined contribution plans. The insurance premium paid for these plans is recognised as employee benefit expense and charged in statement of profit and loss account.

1.2.24 Provisions

Provisions (other than employee benefits) are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

1.2.25 Claims

Pending settlement, claims made on underwriters /railways /others as assessed by the company are recognized on the basis of certainty of ultimate collection.

1.2.26 Adjustment pertaining to Prior Period

Income/Expenditure pertaining to prior period upto ₹ 10.00 crores in each case subject to cumulative limit of 0.50% of sales turnover of previous year are not considered material and are included under the income/expenditure of the current year.

1.2.27 Non – Current Assets Held for Sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

1.2.28 Prepaid Expenditure

Prepaid expenditure upto Rupee one lakh in each case not being considered material is included under the expenditure of the current year.

1.2.29 Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's board of directors.

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note: 2 Property, Plant and Equipment

₹ in Crore

Description	Gross Carrying Amount as on 1st April 2024	Additions	Deductions/ Adjustments	Gross Carrying Amount as on 31st March 2025	Depreciation				Net carrying Amount	
					Accumulated Depreciation as on 1st April 2024	For the year	Deductions/ Adjustments	Accumulated Depreciation Upto 31st March 2025	As at 31st March 2025	As at 31st March 2024
LAND										
- Freehold	12.19	-	-	12.19	-	-	-	-	12.19	12.19
- Leasehold	6.35	-	-	6.35	0.90	0.10	-	1.00	5.35	5.45
BUILDINGS										
- on Freehold Land	171.21	9.19	3.49	176.91	48.89	6.63	0.08	55.44	121.47	122.32
- on Leasehold Land	35.68	0.62	(3.31)	39.61	22.13	1.39	(0.13)	23.65	15.96	13.55
Leasehold Buildings	0.92	-	-	0.92	0.38	0.02	0.05	0.35	0.57	0.54
Plant and Machinery	6222.13	161.33	1.28	6382.18	2604.88	344.34	0.46	2,948.76	3433.42	3617.25
Furniture and Fixtures	7.38	0.63	0.09	7.92	3.28	0.64	0.05	3.87	4.05	4.10
Vehicles	9.75	0.84	0.05	10.54	4.90	0.95	0.05	5.80	4.74	4.85
Office Equipments	12.48	1.53	0.12	13.89	7.93	1.62	0.08	9.47	4.42	4.55
OTHERS										
Electrical Installations	26.35	1.88	-	28.23	19.62	1.29	-	20.91	7.32	6.73
Railway Sidings	8.81	0.72	-	9.53	1.84	0.90	-	2.74	6.79	6.97
EDP Equipments	71.39	3.60	0.36	74.63	56.09	7.47	0.27	63.29	11.34	15.30
Other Equipments	41.66	3.11	0.14	44.63	28.90	3.23	0.14	31.99	12.64	12.76
Bearer Plants	-	-	-	-	-	-	-	-	-	-
As at 31st March, 2025	**6626.30**	**183.45**	**2.22**	**6807.53**	**2799.74**	**368.58**	**1.05**	**3167.27**	**3640.26**	**3826.56**

Description	Gross Carrying Amount as on 1st April 2023	Additions	Deductions/ Adjustments	Gross Carrying Amount as on 31st March 2024	Depreciation				Net carrying Amount	
					Accumulated Depreciation as on 1st April 2023	For the year	Deductions/ Adjustments	Accumulated Depreciation Upto 31st March 2024	As at 31st March 2024	As at 31st March 2023
LAND										
- Freehold	12.19	-	-	12.19	-	-	-	-	12.19	12.19
- Leasehold	6.35	-	-	6.35	0.80	0.10	-	0.90	5.45	5.55
BUILDINGS										
- on Freehold Land	160.29	6.42	(4.50)	171.21	42.78	6.11	-	48.89	122.32	117.51
- on Leasehold Land	35.50	0.18	-	35.68	20.98	1.15	-	22.13	13.55	14.52
Leasehold Buildings	5.53	-	4.61	0.92	0.33	0.05	-	0.38	0.54	5.20
Plant and Machinery	6030.61	192.41	0.89	6,222.13	2266.75	338.62	0.49	2,604.88	3617.25	3763.86
Furniture and Fixtures	5.62	1.78	0.02	7.38	2.76	0.54	0.02	3.28	4.10	2.86
Vehicles	9.34	0.41	-	9.75	4.03	0.87	-	4.90	4.85	5.31
Office Equipments	10.46	2.11	0.09	12.48	6.42	1.56	0.05	7.93	4.55	4.04
OTHERS										
Electrical Installations	24.24	2.11	-	26.35	18.43	1.19	-	19.62	6.73	5.81
Railway Sidings	7.42	1.39	-	8.81	1.33	0.51	-	1.84	6.97	6.09
EDP Equipments	59.67	12.11	0.39	71.39	50.03	6.34	0.28	56.09	15.30	9.64
Other Equipments	38.48	3.27	0.09	41.66	25.75	3.24	0.09	28.90	12.76	12.73
Bearer Plants	-	-	-	-	-	-	-	-	-	-
As at 31st March, 2024	**6405.70**	**222.19**	**1.59**	**6626.30**	**2440.39**	**360.28**	**0.93**	**2799.74**	**3826.56**	**3965.31**

Footnote:

a. Out of total land of 2541.82 acres, land measuring 325.70 acres at Nangal (₹ 0.12 crore) had been symbolically possessed by the Punjab Government on 29.10.1998 without determination of consideration. Though the title of entire land including 325.70 acre vests with the Company in the records, the physical possession of 325.70 acres of land is not with the Company. Further, there is a litigation in respect of land measuring 1.7 acres approx. before Punjab & Haryana High Court, Chandigarh. The Regular Second Appeal (RSA) preferred by appellant is pending wherein Hon'ble High Court has ordered status-quo in the matter.

b. Ammonia Feed Stock Conversion Projects from `LSHS/FO' to `Gas' at Bathinda, Panipat & Nangal Unit under Government's policy for reimbursement of project cost to the Company over a period of five years from the date of commercial production have been capitalised on 11th March.2013, 28th March 2013 and 18th July 2013 respectively. Accordingly, Property, Plant & Equipment (Gross) include assets amounting to ₹ 3890.12 crore (CPLY ₹ 3890.12 crore) represented by capital grant as disclosed in Note: 26 & 34 relating to Deferred Government Grant and the net Property, Plant & Equipment of Ammonia Feed Stock Conversion Projects amount to ₹ 1560.13 crore (CPLY ₹ 1736.55 crore) as on 31.03.2025.

c. In terms of exemption granted under Ind AS 101, the company has opted to treat exchange difference arising from translation of long term foreign currency monetary items as addition/deletion to Property, Plant & Equipment. Accordingly, an exchange loss/(gain) of ₹ Nil crore (CPLY gain of ₹ Nil crore) has been included in the addition to Property, Plant & Equipment as on 31st March, 2025. The unamortized amount of exchange difference as on 31.03.2025 is ₹ 48.71 crore (CPLY ₹ 52.41 crore).

d. The Gross Carrying Amount and the Net Carrying Amount of Bearer Plant is ₹ 1404/-. Hence, Nil due to rounding off.

e. Title deeds of following Immovable Properties are not held in the name of the Company:

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of Govt of	Whether title deed holder is a promoter, director or relative of promoter /director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property Plant & Equipment	Leasehold Land - Vijaipur	*	Govt of Madhya Pradesh	No	12.07.1984	Lease Deed is under execution.
Property Plant & Equipment	Free Hold Land - Bathinda	₹ 0.15 crore	Govt of Punjab	No	11.02.1988 10.03.1988 20.01.1988 21.01.1988 23.05.1984	Out of 685.301 Acres of land, 14.261 Acres of land for construction of Fertilizers Minor was acquired at the cost of NFL but there is no provision in the Government rules to transfer the ownership of Government Property.
Property Plant & Equipment	Free hold land at Alwar	**	Urban Improvement Trust, Alwar	No	05.04.1986	The land has not yet been registered in the name of NFL due to on going litigation between Urban Improvement Trust, Alwar and the concerned farmer.

* The deemed cost of Leasehold Land at Vijaipur Unit as on 01.04.2015 (Transition to Ind AS) was Nil.
** The value of Land at Alwar is ₹ 1, hence figure not given.

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note: 3 Right-of-Use Assets

₹ in Crore

Description	Gross Carrying Amount as on 1st April 2024	Additions	Deductions/ Adjustments	Gross Carrying Amount as on 31st March 2025	Depreciation				Net carrying Amount	
					Accumulated Depreciation as on 1st April 2024	For the year	Deductions/ Adjustments	Accumulated Depreciation Upto 31st March 2025	As at 31st March 2025	As at 31st March 2024
Vehicles	1.78	4.11	0.36	5.53	0.41	1.43	0.35	1.49	4.04	1.37
Office	1.45	0.83	0.31	1.97	0.70	0.49	0.22	0.97	1.00	0.75
As at 31st March, 2025	**3.23**	**4.94**	**0.67**	**7.50**	**1.11**	1.92	**0.57**	**2.46**	**5.04**	**2.12**

Description	Gross Carrying Amount as on 1st April 2023	Additions	Deductions/ Adjustments	Gross Carrying Amount as on 31st March 2024	Depreciation				Net carrying Amount	
					Accumulated Depreciation as on 1st April 2023	For the year	Deductions/ Adjustments	Accumulated Depreciation Upto 31st March 2024	As at 31st March 2024	As at 31st March 2023
Vehicles	5.65	1.34	5.21	1.78	5.27	0.25	5.11	0.41	1.37	0.38
Office	3.06	0.65	2.26	1.45	2.45	0.58	2.33	0.70	0.75	0.61
As at 31st March, 2024	**8.71**	**1.99**	**7.47**	**3.23**	**7.72**	**0.83**	**7.44**	**1.11**	**2.12**	**0.99**

Amount recognised in Statement of Profit and Loss Account

₹ in Crore

Particulars	FY 2024-25	FY 2023-24
Depreciation charged for the Right of Use Asset	1.92	0.83
Interest Expense	0.50	0.09

The Total Cash Outflow for leases for the year ended March 31, 2025 was ₹ 2.46 crore (CPLY ₹ 0.96 crore).

The following is the movement in lease liabilities during the year ended March 31, 2025:

₹ in Crore

Particulars	FY 2024-25	FY 2023-24
Opening Balance	2.40	1.31
Additions during the period	4.94	1.99
Adjustment during the period	(0.10)	(0.03)
Finance Cost accrued during the period	0.50	0.09
Less : Payment of Lease Liabilities	2.46	0.96
Closing Balance	**5.28**	**2.40**
Lease Liabilities - Current (Note 30)	1.85	0.98
Lease Liabilities - Non Current (Note 23)	3.43	1.42

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note: 4 Investment Property

₹ in Crore

Description	Gross Carrying Amount as on 1st April 2024	Additions	Deductions/ Adjustments	Gross Carrying Amount as on 31st March 2025	Depreciation				Net carrying Amount	
					Accumulated Depreciation as on 1st April 2024	For the year	Deductions/ Adjustments	Accumulated Depreciation Upto 31st March 2025	As at 31st March 2025	As at 31st March 2024
Building										
Scope Building – New Delhi	1.18	-	-	1.18	0.34	0.04	-	0.38	0.80	0.84
Paryavas Bhawan – Bhopal	0.30	-	-	0.30	0.30	-	-	0.30	-	-
Bajaj Bhawan - Mumbai	0.05	-	-	0.05	-	-	-	-	0.05	0.05
As at 31st March, 2025	**1.53**			**1.53**	**0.64**	**0.04**		**0.68**	**0.85**	**0.89**

Description	Gross Carrying Amount as on 1st April 2023	Additions	Deductions/ Adjustments	Gross Carrying Amount as on 31st March 2024	Depreciation				Net carrying Amount	
					Accumulated Depreciation as on 1st April 2023	For the year	Deductions/ Adjustments	Accumulated Depreciation Upto 31st March 2024	As at 31st March 2024	As at 31st March 2023
Building										
Scope Building – New Delhi	1.18	-	-	1.18	0.30	0.04	-	0.34	0.84	0.88
Paryavas Bhawan – Bhopal	0.30	-	-	0.30	0.26	0.04	-	0.30	-	0.04
Bajaj Bhawan - Mumbai	0.05	-	-	0.05	-	-	-	-	0.05	0.05
As at 31st March, 2024	**1.53**			**1.53**	**0.56**	**0.08**		**0.64**	**0.89**	**0.97**

(I) Title/Lease Deed for Building at Scope Complex, New Delhi is pending for execution.

(ii) The above assets have been determined as Investment Properties with effect from 01.04.2019.

(iii) The Fair Value of Investment Property as on 31.03.2024 is ₹ 99.64 crore & as per management estimate there is no material change in market value as on 31.03.2025.

(iv) Information regarding income and expenditure of Investment Property

₹ in Crore

Particulars	As at 31st March 2025	As at 31st March 2024
Rental Income derived from investment properties.	**11.80**	**14.43**
Less : Direct operating expenses (including repairs and maintenance) generating rental income	0.36	0.63
Less : Direct operating expenses (including repairs and maintenance) that did not generate rental income	0.01	0.01
Profit arising from investment properties before depreciation and indirect expense	**11.43**	**13.79**
Less: Depreciation	0.04	0.07
Profit arising from investment properties before indirect expense	**11.39**	**13.72**

(v) Title deeds of following Investment Property is not held in the name of the Company.

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in crore)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Investment Property	3190.46 Sq Mtrs in Core - III, SCOPE Complex, Lodhi Road, New Delhi	1.18	SCOPE	No	19.10.1979	The company is a deemed owner of the property.

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note : 5 Capital Work-In-Progress

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Building	3.11	7.33
Plant and Machinery	28.37	54.23
Capital Stores	139.75	143.91
Others	0.12	-
Expenditure During Construction Period	0.18	2.03
	171.53	**207.50**

(a) CWIP ageing schedule as at 31.03.2025

₹ in Crore

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	46.06	42.08	75.94	7.45	171.53
Projects temporarily suspended	-	-	-	-	-
Total	**46.06**	**42.08**	**75.94**	**7.45**	**171.53**

(b) The following is the list of project under capital-work-in progress as on 31.03.2025, whose completion is overdue or has exceeded its cost compared to its original plan:

₹ in Crore

	To be completed in			
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years
Agro Chemical Plant	0.21	-	-	-

(c) CWIP ageing schedule as at 31.03.2024

₹ in Crore

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	103.02	89.94	12.78	1.76	207.50
Projects temporarily suspended	-	-	-	-	-
Total	103.02	**89.94**	**12.78**	**1.76**	**207.50**

(d) The following is the list of project under capital-work-in progress as on 31.03.2024, whose completion is overdue or has exceeded its cost compared to its original plan:

₹ in Crore

	To be completed in			
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years
Agro Chemical Plant	1.59	-	-	-

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note: 6 Other Intangible Assets

₹ in Crore

Description	Gross Block				Amortization				Net Block	
	Gross Carrying Amount as on 1st April 2024	Additions	Deductions/ Adjustments	Gross Carrying Amount as on 31st March 2025	Accumulated Depreciation as on 1st April 2024	For the year	Deductions/ Adjustments	Accumulated Depreciation upto 31st March 2025	As at 31st March 2025	As at 31st March 2024
Computer Software	3.56	30.86	-	34.42	2.24	2.01	-	4.25	30.17	1.32
Licence and Know-how	26.23	17.92	-	44.15	26.20	0.45	-	26.65	17.50	0.03
As at 31st March, 2025	**29.79**	**48.78**	**-**	**78.57**	**28.44**	**2.46**	**-**	**30.90**	**47.67**	**1.35**

₹ in Crore

Description	Gross Block				Amortization				Net Block	
	Gross Carrying Amount as on 1st April 2023	Additions	Deductions/ Adjustments	Gross Carrying Amount as on 31st March 2024	Accumulated Depreciation as on 1st April 2023	For the year	Deductions/ Adjustments	Accumulated Depreciation upto 31st March 2024	As at 31st March 2024	As at 31st March 2023
Computer Software	3.13	0.43	-	3.56	1.76	0.48	-	2.24	1.32	1.37
Licence and Know-how	26.23	-	-	26.23	26.19	0.01	-	26.20	0.03	0.04
As at 31st March, 2024	**29.36**	**0.43**	**-**	**29.79**	**27.95**	**0.49**	**-**	**28.44**	**1.35**	**1.41**

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note: 7 Intangible assets under development

₹ in Crore

DESCRIPTION	Gross Block				
	Gross Carrying Amount as on 1st April 2024	Additions	Deductions/ Adjustments	Capitalisation	Gross Carrying Amount as on 31st March 2025
ERP	34.37	13.93	-	(48.30)	-
As at 31st March, 2025	**34.37**	**13.93**	**-**	**(48.30)**	**-**

₹ in Crore

DESCRIPTION	Gross Block				
	Gross Carrying Amount as on 1st April 2023	Additions	Deductions/ Adjustments	Capitalisation	Gross Carrying Amount as on 31st March 2024
ERP	30.44	3.93	-	-	34.37
As at 31st March, 2024	**30.44**	**3.93**	**-**	**-**	**34.37**

a) Intangible assets under development aging schedule as on 31.03.2025

₹ in Crore

Intangible assets under development	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress - ERP	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

b) The following is the list of Intangible Assets under Development as on 31.03.2025, whose completion is overdue or has exceeded its cost compared to its original plan:

₹ in Crore

Intangible assets under development	Name of Scheme	To be completed in			
		Less than 1 year	1-2 years	2-3 years	More than 3 years
-	-	-	-	-	-

a) Intangible assets under development aging schedule as on 31.03.2024

₹ in Crore

Intangible assets under development	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress - ERP	3.93	4.14	4.26	22.04	34.37
Projects temporarily suspended	-	-	-	-	-
Total	**3.93**	**4.14**	**4.26**	**22.04**	**34.37**

b) The following is the list of Intangible Assets under Development as on 31.03.2024, whose completion is overdue or has exceeded its cost compared to its original plan:

₹ in Crore

Intangible assets under development	Name of Scheme	To be completed in			
		Less than 1 year	1-2 years	2-3 years	More than 3 years
ERP	Implementation of ERP	11.74	-	-	-

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note: 8 Investments

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Investment in Equity instruments of Bodies Corporates (Unquoted) #		
(fully paid up - unless otherwise stated as cost.)		
Joint Venture Companies		
1,80,002 Equity Shares (CPLY 1,80,002 Equity Shares) with face value of ₹10 each fully paid up in Urvarak Videsh Limited**	0.18	0.18
Provision for impairment in value of investments	(0.16)	(0.16)
	0.02	0.02
49,14,62,400 Equity Shares (CPLY 49,14,62,400 Equity Shares) with face value of ₹10 each fully paid up in Ramagundam Fertilizers & Chemicals Limited (RFCL)$	491.46	491.46
	491.48	491.48
Aggregate amount of unquoted investments	491.64	491.64
Aggregate provision for diminution in value of investments	(0.16)	(0.16)
	491.48	**491.48**
Investment in Equity Instruments of Co-operative Societies (Unquoted)*		
Unquoted (measured at fair value through profit & loss)		
1250 Equity Shares (CPLY 1250 Equity Shares) with face value of ₹10 each fully paid up (₹12500) in NFL Employees' Consumer co-operative stores	*	*
100 Equity Shares (CPLY 100 Equity Shares) with face value of ₹50 each fully paid up (₹5000) in NFL Employees' Consumer co-operative stores	*	*
Investment in mutual fund (₹5000)	*	*
	491.48	**491.48**

* Being less than ₹50,000/-, figures not given.

In compliance with Accounting Standard (Ind AS) 28 - Investment in Associates & Joint Venture". The Reporting information is as under :

Joint controlled entity

Name of the Company	Country	Percentage of ownership interest as on	
		31st March 2025	31st March 2024
Urvarak Videsh Limited	India	33.33	33.33
Ramagundam Fertilizers & Chemicals Limited	India	26.00	26.00

** Urvarak Videsh Limited, a joint venture with Krishak Bharti Co-operative Limited and Rashtriya Chemicals & Fertilizers Limited has been setup on 18.07.2008 for fertilizer business and rendering consultancy services in this regard. Urvarak Videsh Limited was declared Dormant Company from 04.11.2015.

$ Ramagundam Fertilizers & Chemicals Limited, a joint venture with Engineers India Limited and Fertilizer Corporation of India has been incorporated on 17.02.2015 for setting up of Fertilizer Unit at Ramagundam, Telangana under New Investment Policy, 2012. RFCL has declared commercial operation on 22.03.2021. The Annual Urea capacity of plant is 12.71 Lakhs MT.

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note: 9 Loans (Non Current)

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Secured, considered good*		
Loans to employees	3.07	3.20
Unsecured, considered good		
Loans to employees	2.95	4.50
	6.02	**7.70**

* Secured against House Property / Vehicle

Note :10 Other Financial Assets (Non Current)

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Security Deposits	24.76	22.58
Fixed Deposit - Margin Money against Bank Guarantees (more than one year)	5.62	10.47
Claims recoverable	0.63	0.72
Provision for doubtful advances*	(0.14)	(0.12)
	30.87	**33.65**
Unsecured, considered good from above	30.87	33.65
Unsecured, considered doubtful from above	0.14	0.12
Provision for doubtful advances*	(0.14)	(0.12)
	30.87	**33.65**
*** Details of Provisions for doubtful advance**		
Claims recoverable	0.14	0.12
Total	**0.14**	**0.12**

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note: 11 Other Non-Current Assets

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Income Tax Assets (Net)*	21.56	75.09
Recoverable Balances with customs and excise authorities	-	0.14
Capital Advance (secured, considered good)	-	16.39
Capital Advance (Unsecured, considered good)	0.04	0.07
Others	1.13	1.74
Provision for doubtful advances^	(0.01)	(0.01)
	22.72	**93.42**
Secured, considered good from above	-	16.39
Unsecured, considered good from above	22.72	77.03
Unsecured, considered doubtful from above	0.01	0.01
Provision for doubtful advances^	(0.01)	(0.01)
Provision for doubtful advances appropriated from reserve^	-	-
	22.72	**93.42**
^ Details of Provisions for doubtful advances		
Others	0.01	0.01
Total	**0.01**	**0.01**

* Interest on income tax refunds are considered on receipt basis.

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note : 12 Inventories

₹ in Crore

	As at 31st March 2025		As at 31st March 2024	
Raw materials	11.27		2.75	
Add: In transit	-	11.27	1.86	4.61
Work in Progress		59.48		37.60
Finished goods	81.04		173.28	
Add: In transit	135.03	216.07	99.90	273.18
Traded goods	153.20		1082.83	
Add: In transit	177.36	330.56	73.99	1156.82
Stores and spares	240.95		224.46	
Add: In transit	16.70		2.94	
Less: Provision for Obsolescence	4.80	252.85	2.62	224.78
Loose Tools		0.09		0.06
Packing Materials	15.47		25.41	
Add: In transit	1.24		2.66	
Less: Provision for Obsolescence	-	16.71	0.07	28.00
Others (Carbon Slurry)		23.50		24.62
		910.53		**1749.67**

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note: 13 Trade Receivables (Current)

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Subsidy	3001.52	3592.02
Others	319.13	488.45
Provison for Doubtful Receivables	(47.35)	(43.38)
	3273.30	**4037.09**
Aggregate of trade receivables:		
Unsecured, considered good (including secured debts backed by bank guarantees ₹ 50.68 crore, (CPLY ₹ 50.68 crore)	3273.30	4037.09
Unsecured, considered doubtful	47.35	43.38
Provison for Doubtful Receivables	(47.35)	(43.38)
	3273.30	**4037.09**

The Total Subsidy Receivable is ₹ 3001.52 crore (CPLY ₹ 3592.02 crore).

Pending sale of Urea and P&K fertilizer totalling 7.261 lakh MT through point of sales (POS) device to beneficiaries as on 31.03.2025, subsidy of ₹ 2124.72 crore which has accrued on sale to dealers but shall become due for payment under DBT upon sale through POS device and same has been recognized in the current period (CPLY quantities 11.826 lakh MT and subsidy ₹ 3022.74 crore). Further, provison is being made for unacknowledged POS quantity.

Notes to Standalone Financial Statements for the year ended 31st March 2025

Trade Receivable Ageing Schedule as on 31.03.2025

₹ in Crore

Particulars	Outstanding for following period from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good*	3,115.83	92.90	3.01	-	61.56	3,273.30
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	25.34	-	2.98	0.82	18.21	47.35
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**3,141.17**	**92.90**	**5.99**	**0.82**	**79.77**	**3,320.65**
Less : Provision for doubtful debts						**(47.35)**
Total						**3,273.30**

*include unbilled amount (POS Qty.) of ₹ 1947.33 crore

Trade Receivable Ageing Schedule as on 31.03.2024

₹ in Crore

Particulars	Outstanding for following period from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	3795.38	51.30	118.14	3.85	68.42	4037.09
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	22.50	-	1.49	1.10	18.29	43.38
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**3817.88**	**51.30**	**119.63**	**4.95**	**86.71**	**4080.47**
Less : Provision for doubtful debts						**(43.38)**
Total						**4,037.09**

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note: 14 Cash and Cash Equivalents

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Balances with banks		
Current accounts	17.80	29.35
Others (Franking Machines)	0.01	0.01
	17.81	**29.36**

Cash and Cash Equivalent includes earmarked balance in Amalgamated Fund of ₹ 0.59 crore (CPLY ₹ 0.57 crore) and Unspent CSR A/c of ₹ 1.58 crore (CPLY ₹ 1.54 crore).

Note: 15 Other Bank Balances

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Fixed Deposit - Margin Money against Bank Guarantees (more than 3 months and less than 1 year)	14.74	8.33
Unclaimed dividend account	0.23	0.25
	14.97	**8.58**

Note : 16 Loans (Current)

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Secured, considered good*		
Loans to employees	0.79	0.86
Unsecured, considered good		
Loans to employees	9.44	7.56
	10.23	**8.42**

* Secured against House Property / Vehicle

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note: 17 Other Financial Assets (Current)

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Security Deposits	0.69	1.32
Claims recoverable	109.14	146.76
Interest Accrued but not due on Deposits	-	-
Provision for doubtful claims*	(0.51)	(0.28)
	109.32	**147.80**
Unsecured, considered good from above	109.32	147.80
Unsecured, considered doubtful from above	0.51	0.28
Provision for doubtful claims*	(0.51)	(0.28)
	109.32	**147.80**
*** Details of Provisions for doubtful advance**		
Claims recoverable	0.51	0.28
Total	**0.51**	**0.28**

Note : 18 Current Tax Assets (Net)

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Advance Tax / TDS	-	27.88
Less : Provision for Tax	-	14.95
	-	**12.93**

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note: 19 Other Current Assets

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Unsecured, considered good unless otherwise stated		
Advances		
Contractors	30.01	0.47
Suppliers*	192.29	181.94
Employees	1.12	2.55
Recoverable/Balances with customs and excise authorities	1.51	1.48
GST Input Credit	325.92	401.24
Others$	89.54	93.56
Provision for doubtful advances^	(35.26)	(38.65)
	605.13	**642.59**
Unsecured, considered good from above	605.13	642.59
Unsecured, considered doubtful from above	35.26	38.65
Provision for doubtful advances^	(35.26)	(38.65)
	605.13	**642.59**
^ Details of Provisions for doubtful advances		
Contractors	0.58	0.58
Suppliers	6.30	6.30
GST Input Credit	26.50	29.55
Others	1.88	2.22
Total	**35.26**	**38.65**

* Includes amount recoverable on account of Gas Pool Account amounting to ₹ 174.58 crore (CPLY ₹ 163.04 crore)

$ Others mainly includes Prepaid Expense, Services etc.

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note: 20 Non Current Assets held for Disposal

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Non Current Asset Held for Disposal#	1.30	16.94
	1.30	**16.94**

Details of Non-Current Asset Held for Sale

Particulars	31st March 2025	31st March 2024
Plant & Machinery	1.30	16.94

Plant and machinery & other assets have been identified for disposal due to replacement / obsolescence of asset which happens in the normal course of business. On account of classification of these assets from Property Plant & Equipment, the loss is recognised in the statement of profit & loss account. The Company expects to dispose of items classified under" "Non Current Asset Held for Sale" within one year.

Note : 21 Equity Share Capital

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Authorized		
100,00,00,000 Equity Shares (CPLY 100,00,00,000 Equity Shares) of ₹ 10 each	1000.00	1000.00
Issued, Subscribed and Paid -up		
49,05,78,400 Equity Shares (CPLY 49,05,78,400 Equity Shares) of ₹ 10 each fully paid up	490.58	490.58
	490.58	**490.58**

a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period.

Particulars	31st March 2025		31st March 2024	
	No. of Shares	Amount (₹ In crore)	No. of Shares	Amount (₹ In crore)
Opening Balance	490578400	490.58	490578400	490.58
Increase during the year	-	-	-	-
Closing Balance	**490578400**	**490.58**	**490578400**	**490.58**

There has been no movement in the Issued, Subscribed and Paid -up capital of the Company during the year.

b. Terms/Rights attached to equity shares

The Company has only one class of equity share having a face value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share and entitled to dividends. The dividend proposed by the Board of Director is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend, which is approved by the Board of Directors. In the event of liquidation of the company, the holders of equity share will be entitled to receive the remaining assets of the company, after distribution to creditors and all preferential amounts. The distribution will be in proportion to the number of equity shares held by each shareholder.

Notes to Standalone Financial Statements for the year ended 31st March 2025

c. Details of shareholders holding more than 5% shares in the company

Particulars	31st March 2025		31st March 2024	
	No. of Shares	%	No. of Shares	%
Equity Shares of `10 each fully paid				
i) The President of India	366529532	74.71	366529532	74.71
ii) Life Insurance Corporation of India (LIC)	24553003	5.00	31203197	6.36

d. Shareholding of Promoters as under:

Equity Shares held by promoters as on 31.03.2025				% Change during the year
S. No.	Promoter name	No. of Shares	%of total shares	
1	The President of India	36,65,29,532	74.71	-
	Total	**36,65,29,532**	-	**-**

Equity Shares held by promoters as on 31.03.2024				% Change during the year
S. No.	Promoter name	No. of Shares	%of total shares	
1	The President of India	36,65,29,532	74.71	-
	Total	**36,65,29,532**	-	**-**

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note : 22 Other Equity

₹ in Crore

		As at 31st March 2025	As at 31st March 2024
Capital Reserve			
Balance at the beginning of the year		2.51	2.51
Balance at the end of the year	**A**	**2.51**	**2.51**
General Reserve		331.84	331.84
Balance at the beginning of the year	**B**	**331.84**	**331.84**
Balance at the end of the year			
Retained Earnings in Statement of Profit and Loss			
Balance at the beginning of the year		1876.16	1948.90
Less: Dividend Paid		13.25	136.87
		1862.91	**1812.03**
Profit/(Loss) for the year transferred from Statement of Profit and Loss		76.26	64.74
Profit/(Loss) for the year transferred from Other Comprehensive Income		(0.13)	(0.61)
Balance at the end of the year	**C**	**1939.04**	**1876.16**
Total (A+B+C)		**2273.39**	**2210.51**

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note: 23 Lease Liabilities (Non Current)

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Lease Liabilities	3.43	1.42
	3.43	**1.42**

Note: 24 Other Financial Liabilities (Non Current)

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Security Deposits	8.12	5.92
Others#	10.41	16.05
	18.53	**21.97**

Gross amount of ₹ 14.61 crore (CPLY ₹21.34 crore) received in trust from disabled employees/legal heirs of deceased employee out of their Provident Fund (PF)/Gratuity amount under NFL Employees Family Economic & Social Rehabilitation Scheme.

Note: 25 Provisions (Non Current)

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Provision for employee benefits *^	212.81	212.26
	212.81	**212.26**
*** Item wise breakup of Provisions for employee benefits**		
Earned Leave	95.83	99.30
Half Pay Leave	103.57	100.44
Post Retirement Settlement Benefits	1.45	1.53
Long Service Award	0.56	0.54
Social Security Benefits	3.66	3.58
Employees' Family Economic Rehabilitation Scheme	7.74	6.87
	212.81	**212.26**

^ Short term Provision for Employee Benefits of ₹ 129.57 crore (CPLY ₹ 107.46 crore) is disclosed in Note 33.

Disclosure as per Ind AS 19 "Employee Benefit" are provided in Note 52.

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note: 26 Deferred Government Grant

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Opening Balance#		
Non Current	1554.87	1739.18
Current	196.93	194.88
Add: Addition/Adjustment during the year (AFCP)*	(4.57)	-
Add: Addition/Adjustment during the year (Others)	0.10	10.00
Less : Govt Grant recognised in Statement of Profit & loss Account (Note No. 37)	192.56	192.27
Less : Transferred Deferred Government Grant Current (Note 34)	191.97	196.93
	1362.80	**1554.86**

Includes Capital Grant from Govt. of India, Ministry of Chemicals & Fertilizers for Ammonia Feed Stock Conversion Project (AFCP) from `LSHS/FO' to `Gas' vide sanction letter no. 14016/2/2007-FP(Vol.II)(2) dated 08.02.2010 for Panipat Unit, sanction letter no.14016/2/2007-FP (Vol. II)(1) dated 08.02.2010 for Bathinda Unit and sanction letter no.14016/2/2007-FP (Vol. II)(3) dated 08.02.2010 for Nangal Unit. The grant has been accordingly accounted for as per Ind AS 20 `Accounting for Government Grants'.

* Represents addition / adjustment to Property, Plant & Equipment in respect of Ammonia Feed Stock Conversion Projects from 'LSHS/FO' to 'Gas' at Bathinda, Panipat and Nangal units.

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note: 27 Deferred Tax Liabilities (Net)

₹ in Crore

		As at 31st March 2025	As at 31st March 2024
Deferred Tax Liability (A)			
Property, Plant & Equipment: Impact of difference between depreciation as prescribed under Income Tax Act, 1961 and depreciation/amortization charged in Statement of Profit and Loss.		202.54	188.30
	(A)	**202.54**	**188.30**
Deferred Tax Assets (B)			
Impact of expenditure and provisions charged to the Statement of Profit and Loss during the year but allowed on deferred /actual payment basis for Tax purposes.		118.99	113.43
Losses carried forward		-	-
	(B)	**118.99**	**113.43**
Net deferred tax liability	**(A-B)**	**83.55**	**74.87**

Movement in deferred tax components

Particulars	At April 1, 2024	Charged or (credited) to profit or loss	At March 31, 2025
Expenses allowed on cash basis	113.43	(5.56)	118.99
Property, Plant & Equipment impact	(188.30)	14.24	(202.54)
Total	**(74.87)**	**8.68**	**(83.55)**

Disclosure as per Ind AS 12, Income Tax, are provided in Note No. 48.

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note : 28 Other Non Current Liabilities

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Others	5.07	6.36
	5.07	**6.36**

Other mainly includes Deferred Revenue Expenditure.

Note: 29 Borrowings (Current)

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Secured		
Cash credit from banks*	42.63	134.73
Working Capital Demand Loan*	1200.00	1200.00
Unsecured		
Short Term loans from Banks	753.14	2753.60
	1995.77	**4088.33**

* Cash credit / Working Capital Demand Loan from Banks are secured by first charge ranking pari-pasu inter-se against hypothecation on the whole of the current assets of the borrower namely, Stocks of Raw Materials, Stocks in Process, Semi Finished and Finished Goods, Stores and Spares not relating to Plant & Machinery (Consumable Stores and Spares), Bills receivables and book debts and all other moveables, both present and future of the company.

Note : 30 Lease Liabilities (Current)

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Lease Liabilities	1.85	0.98
	1.85	**0.98**

Note: 31 Trade Payables (Current)

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Micro and Small Enterprises*	29.30	12.77
Other than Micro and Small Enterprises[$]	1,507.97	1335.62
	1537.27	**1348.39**

$ Includes amount of ₹ 1105.50 crore (CPLY ₹1039.84 crore) on account of Gas supplies.

Notes to Standalone Financial Statements for the year ended 31st March 2025

Trade Payables ageing Schedule as on 31.03.2025

₹ in Crore

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(I) MSME	29.30	-	-	-	29.30
(ii) Others	1,486.31	8.15	7.40	5.66	1,507.52
(iii) Disputed dues – MSME	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	0.45	0.45
Total	**1,515.61**	**8.15**	**7.40**	**6.11**	**1,537.27**

Trade Payable ageing Schedule as on 31.03.2024

₹ in Crore

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(I) MSME	12.77	-	-	-	12.77
(ii) Others	1,328.76	2.48	0.34	3.60	1,335.18
(iii) Disputed dues – MSME	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	0.44	0.44
Total	**1,341.53**	**2.48**	**0.34**	**4.04**	**1,348.39**

* Information in respect of micro and small enterprises as at 31 March 2025 as required by Schedule III to the Companies Act, 2013 and Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act).

₹ in Crore

Particulars	As at 31st March 2025	As at 31st March 2024
Principal amount remaining unpaid	29.30	12.77
Interest Due thereon	-	-
Amount of Interest paid by the company in terms of Section 16 of MSMED Act along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
Amount of Interest due and payable for the period of Delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	-	-
Amount of interest accrued and remaining unpaid.	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act.	-	-

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note: 32 Other Financial Liabilities (Current)

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Creditors for Capital Works	5.66	47.80
Security Deposits	353.25	353.56
Liability for employee benefits / remuneration	17.26	32.26
Unclaimed dividend	0.23	0.25
Unspent amount of CSR yet to be transferred to specified fund account	0.70	0.32
Others[$]	464.40	420.77
	841.50	**854.96**

$ Gross amount of ₹ 7.42 crore (CPLY ₹3.39 crore) received in trust from disabled employees/legal heirs of deceased employee out of their Provident Fund (PF)/Gratuity amount under NFL Employees Family Economic & Social Rehabilitation Scheme. Further, Other mainly includes Liability for Imports & unspent CSR amount for ongoing project.

Note: 33 Provisions (Current)

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Provision for employee benefits*^	129.57	107.46
Provision for Impairment in NFL PF Trust Investment (refer note 52.1.7)	18.31	19.29
	147.88	**126.75**
*** Item wise breakup of provisions for employee benefits:**		
Gratuity	79.35	68.51
Earned Leave	20.16	15.89
Half Pay Leave	26.52	19.53
Post Retirement Settlement Benefits	0.31	0.26
Long Service Award	0.13	0.13
Social Security Benefits	1.04	1.16
Employees' Family Economic Rehabilitation Scheme	2.06	1.98
	129.57	**107.46**

^ Long term Provision for Employee Benefits of ₹ 212.81 crore (CPLY ₹ 212.26 crore) is disclosed in Note 25.
Disclosure as per Ind AS 19 "Employee Benefit" are provided in Note 52.

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note: 34 Deferred Government Grant

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Deferred Government Grant		
AFCP#	188.06	192.25
Others	3.91	4.68
	191.97	**196.93**

The Capital Grant from Govt. of India, Ministry of Chemicals & Fertilizers for Ammonia Feed Stock Conversion Project (AFCP) from `LSHS/FO' to `Gas' vide sanction letter no. 14016/2/2007-FP(Vol.II)(2) dated 08.02.2010 for Panipat Unit, sanction letter no.14016/2/2007-FP (Vol. II)(1) dated 08.02.2010 for Bathinda Unit and sanction letter no.14016/2/2007-FP (Vol. II)(3) dated 08.02.2010 for Nangal Unit. The grant has been accordingly accounted for as per Ind AS 20 `Accounting for Government Grants'.

Non Current Deferred Government Grant is disclosed in Note No. 26.

Note: 35 Current Tax Liabilities (Net)

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Provision for Corporate Tax		
Provision for tax	19.30	-
Advance Tax / TDS	(1.29)	-
	18.01	-

Note: 36 Other Current Liabilities

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Advances from Customers	52.21	47.86
Statutory Dues	65.00	57.98
Provision for Statutory Dues	57.41	57.41
	174.62	**163.25**

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note: 37 Revenue from Operations

₹ in Crore

		Year Ended 31st March 2025	Year Ended 31st March 2024
A) Sale of Goods			
Finished goods		2611.25	2478.04
Traded goods		3236.51	5029.27
	(a)	**5847.76**	**7507.31**
Subsidy from Government of India:			
Manufactured Fertilizers (Urea)		11,218.36	11,481.17
Traded Imported Fertilizers (NBS)		2,383.00	4,138.92
Others		83.74	114.03
Total subsidy$	(b)	**13685.10**	**15734.12**
Revenue from operations (gross) (a)+(b)	**(A)**	**19532.86**	**23241.43**
$ Subsidy includes Past Period Subsidy and differential amount for the earlier years notified during the current year		(142.61)	92.33

(i) Pending sale of urea and P&K fertilizer totalling 7.261 lakh MT through POS device to beneficiaries as on 31.03.2025, subsidy of ₹ 2124.72 crore which has accrued on sale to dealers but shall become due for payment under DBT upon sale through POS device has been recognized in the current period (CPLY quantities 11.826 lakh MT and subsidy ₹ 3022.74 crore).

(ii) The Department of Fertilizers[DOF] during the previous year directed the Company to ensure availability of P & K Fertilizers during the Kharif 2023 and Rabi 2023-24 season, Further, in view of price volatility DOF vide its letter dated 21.09.2023 as modified by the letter dated 29.05.2024 assured the company to protect its adversity of subsidy(losses), on no profit no loss basis including stock imported by it during FY2023-24 and held by it(including POS Stock) as on 30.09.2023, beyond the applicable nutrient based subsidy rates, if any. The Company was carrying stock of P&K Fertilizers as at 31st March 2024 and upon sale of these stocks during the current year, recognized adversity of subsidy of ₹ 134.14 Crores (CPLY ₹ 486.53 Crores). The management of the Company is of the view that the variance at the time of processing and Payment by DOF, if any, shall not have a material impact on the profit/loss of the company.

(iii) Department of Fertilizers (DoF) vide its letter no. 23011/127/2024-P&K dated 01.10.2024 has stated that the advantage/disadvantage on upward/downward trend in CFR prices of Imported P&K fertilizers including custom duty would be passed on to the importers beyond the NBS rate effective for the shipments which arrive during 01.09.2024 to 31.03.2025. The CFR price of P&K Fertilizers beyond the benchmark rate only will be considered. The benchmark rate considered for NBS subsidy of DAP for Rabi 2024-25 is 559.71 USD/MT and exchange rate is ₹ 83.23/USD.

The company has imported DAP of 4.65 LMT during 01.09.2024 to 31.03.2025 out of which 4.45 LMT has been sold. Accordingly, disadvantage of ₹ 323.92 crore has been considered as revenue in books of accounts. The disadvantage of ₹ 18.17 crore has been considered in inventory valuation on closing stock of 0.21 LMT as on 31.03.2025.

(iv) DoF vide letter No. 23011/124/2024/P&K dated 23.09.2024 decided a special package of ₹ 3500/- PMT of DAP to meet 'other costs', over and above the subsidy under Nutrient Based Subsidy scheme. The special package was initially applicable upto 31.12.2024 and subsequently extended till 30.9.2025 through DoF letters dated 13.1.2025 and 3.4.2025. As company has incurred other costs more than ₹ 3500/- PMT, an amount of ₹174.54 crore has been recognized towards special package as subsidy, for sale of 4.987 LMT of DAP during current year, out of cargoes arrived during this year. The management of the company is of the view that the variance at the time of processing and payment by DoF, if any, shall not have material impact on the profit / loss of the company.

Notes to Standalone Financial Statements for the year ended 31st March 2025

₹ in Crore

		Year Ended 31st March 2025	Year Ended 31st March 2024
B) Sale of Services			
i) Training & Recruitment for other organisation		-	-
ii) Services to Other Organisations		48.46	40.80
	(B)	**48.46**	**40.80**

₹ in Crore

			Year Ended 31st March 2025		Year Ended 31st March 2024	
C) Other Operating Revenue						
i) Amortisation of Deferred Govt Grant*						
AFCP			187.80		188.65	
Others			4.76	192.56	3.62	192.27
ii) Service Charges (on Import of Urea on behalf of Govt.)				13.33		2.83
iii) Insurance Claims (refer note a & b)				7.29		82.98
		(C)		**213.18**		**278.08**
Total Revenue from Operations		**(A+B+C)**		**19794.50**		**23560.31**

* Deferred Govt Grant of ₹ 192.56 crore (CPLY ₹ 192.27crore) recognised on a systematic basis over the useful life of the AFCP and Other Assets. The corresponding depreciation is appearing in Note No. 46.

(a) During previous year, Gas Turbine Generator (GTG) along with Heat Recovery Steam Generation (HRSG) units, a major part of plant, property & equipment, installed at Bathinda Unit got completely damaged. Claim assessing loss of ₹ 77.01 crore (net of all deductions) was accepted by the company and recognized as income during previous year.

The claim is still pending for receipt as on 31.03.2025 and the final approval of the amount has been received after the reporting date but before the approval of financial statements.

(b) During previous year due to cyclone Biparjoy, fertilizers lying at Tuna port was damaged. Against initial claims of the company, interim payment of ₹ 5.96 crore was released by insurer and the same was recognized as insurance claim. During the year, insurer advised for disposal of damaged goods and upon disposal of damaged goods, company realized proceeds of ₹ 7.29 crore and the same is recognized as insurance claim.

Company has filed final claim with insurer for ₹ 31.31 crore (net of all policy deductibles).

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note : 38 Other Income

₹ in Crore

	Year Ended 31st March 2025	Year Ended 31st March 2024
A) Interest Income on Financial Assets measured at amortised cost		
i) Term Deposits	2.56	19.51
ii) Loan to employees	1.01	0.41
iii) Unwinding of Interest accrued on Deposits	2.84	3.29
iv) Others	1.46	2.79
(A)	**7.87**	**26.00**
B) Interest income on Income Tax Refund	3.37	3.18
(B)	**3.37**	**3.18**
C) Non Operating Income		
i) Profit on Sale of Assets	15.32	9.12
ii) Rent	24.77	26.78
iii) Sale of Scrap	5.75	5.24
iv) Recoveries on delayed payment on credit sales	10.49	12.40
v) Liquidated Damages recovered from Contractor / Supplier	13.12	7.33
vi) Hire Charges of Equipment	-	0.03
vii) Others	14.33	20.23
(C)	**83.78**	**81.13**
(A+B+C)	**95.02**	**110.31**

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note: 39 Cost of Materials Consumed

₹ in Crore

	Year Ended 31st March 2025	Year Ended 31st March 2024
Raw Material (A)	4.61	5.25
Inventory at the beginning of the year	6999.17	7373.80
Purchases	**7003.78**	**7379.05**
Less: Inventory at the end of the year	(11.27)	(4.61)
Cost of raw material consumed	**6992.51**	**7374.44**
Packing material (B)	164.56	188.28
Stores and spares (C)	79.08	86.27
Loose Tools (D)	0.14	-
Cost of material consumed (A+B+C+D)	**7236.29**	**7648.99**
Itemwise break up of raw material consumed		
Natural Gas	6953.14	7330.99
Others	39.37	43.45
	6992.51	**7374.44**

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note: 40 Purchase of Stock- in- Trade

₹ in Crore

	Year Ended 31st March 2025	Year Ended 31st March 2024
Traded goods purchased	**4260.57**	**6985.12**

Note: 41 Changes in Inventories of Finished Goods, Work-in-Progress and Stock -in- Trade

₹ in Crore

	Year Ended 31st March 2025		Year Ended 31st March 2024	
Opening inventories				
Work in Progress		37.60		64.68
Finished goods		273.18		274.65
Traded goods		1156.82		2506.54
Others		24.62		25.55
		1492.22		**2871.42**
Closing inventories				
Work in Progress		59.48		37.60
Finished goods		216.07		273.18
Traded goods	330.56		1175.74	
Less: Loss on Damaged Stock due to cyclone Biparjoy	-	330.56	18.92	1156.82
Others		23.50		24.62
		629.61		**1492.22**
Net (Increase)/decrease in inventories		**862.61**		**1379.20**

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note: 42 Employee Benefits Expense

₹ in Crore

	Year Ended 31st March 2025	Year Ended 31st March 2024
Salaries, Wages and Bonus	484.11	508.14
Contribution to Provident and Other Funds	50.55	51.94
Gratuity Expenses	10.62	11.17
Welfare expenses#	64.72	64.25
	610.00	**635.50**

Includes payment of ₹ 2.95 crore (CPLY ₹ 3.16 crore) paid to disabled employees/legal heirs of deceased employees under NFL Employee Family Economic and Social Rehabilitation Scheme.

Disclosure as per Ind AS 19 in respect of Provision made towards various employees benefits are provided in Note 52.

Note: 43 Power and Fuel

₹ in Crore

	Year Ended 31st March 2025	Year Ended 31st March 2024
Purchased power	55.93	86.09
Coal	309.02	275.12
Natural gas	4482.90	4343.47
Cess on Electricity	24.39	27.86
	4872.24	**4732.54**

The company is having 18613 no. (CPLY 19332 No.) of Energy Savings Certificates (ESCs) which are available for sale.

Note: 44 Repairs and Maintenance

₹ in Crore

	Year Ended 31st March 2025	Year Ended 31st March 2024
Plant and machinery	87.48	88.44
Buildings	20.25	12.89
Others	10.97	12.32
	118.70	**113.65**

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note: 45 Finance Cost

₹ in Crore

	Year Ended 31st March 2025	Year Ended 31st March 2024
Interest :		
Cash credit	9.35	6.51
Short term loans	199.24	240.47
Rupee Term Loan	-	2.96
Unwinding of Interest accrued on Deposits	2.88	3.83
Others	13.50	12.44
Other Borrowing Cost	0.71	1.09
	225.68	**267.30**

Note: 46 Depreciation and Amortization Expense

₹ in Crore

	Year Ended 31st March 2025	Year Ended 31st March 2024
Depreciation / Amortization on tangible assets*	368.58	360.28
Depreciation on Investment Property	0.04	0.08
Depreciation on Right to Use Asset	1.92	0.83
Amortization of intangible assets	2.46	0.49
	373.00	**361.68**

* Depreciation includes ₹ 192.56 crore (CPLY ₹ 192.27 crore) towards Assets of AFCP / PoS Devices / Others purchased from Govt Grant / retailer margin and equivalent amount is appearing as Govt Grant Income in Note 36.

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note : 47 Other expenses

₹ in Crore

	Year Ended 31st March 2025		Year Ended 31st March 2024	
Rent		0.63		0.57
Rent for Godown		7.12		10.20
Rates and Taxes		6.75		5.05
Insurance		65.86		51.87
Auditors' remuneration:				
Audit Fee	0.37		0.32	
Tax Audit Fee	0.12		0.08	
Certification and Other Fee	0.37		0.42	
Out of pocket expenses	0.13	0.99	0.12	0.94
Cost Audit Fee		0.04		0.04
Security Expenses		74.72		71.43
Printing and Stationery		0.98		1.18
Advertisement, Publicity and Sales Promotion		9.53		34.77
Directors' Fees		0.24		0.35
Telephone and Postage		1.75		2.00
Travelling		12.76		9.15
Water Charges		4.00		4.25
Provision for:				
Doubtful Advances & Debts	3.87		3.58	
Un-utilised GST Input Credit	(3.05)		4.44	
Others	1.31	2.13	0.46	8.48
Write Off:				
Stores and Spares	4.06		3.18	
Fixed Assets	0.13		0.60	
Others	0.06	4.25	0.06	3.84
Legal Expenses		1.79		1.31
Bank Charges		7.52		9.59
Demurrage and Wharfage		0.88		0.79
Exchange rate variation (net)		12.61		22.36
CSR Expenditure (refer note 57).		6.81		7.40
Miscellaneous expenses		69.74		60.52
		291.10		**306.09**

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note: 48 Income Tax Expense

₹ in Crore

		Year Ended 31st March 2025	Year Ended 31st March 2024
Current Tax			
Current Tax on Profits for the year		19.30	14.94
Adjustments for Current Tax of prior periods		(0.21)	1.39
Total Current tax expense	**(A)**	**19.09**	**16.33**
Deferred Tax			
Decrease / (increase) in deferred tax assets		(5.56)	(7.53)
(Decrease) / increase in deferred tax liabilities		14.24	14.77
Total Deferred Tax Expense / (benefits)	**(B)**	**8.68**	**7.24**
	(A+B)	**27.77**	**23.57**
Income Tax Relating to Other Comprehensive Income		0.05	0.21
Income Tax Expense		**27.82**	**23.78**

₹ in Crore

	Year Ended 31st March 2025	Year Ended 31st March 2024
Reconciliation of the tax expense and the accounting profit multiplied by tax rate		
Profit before tax	**104.08**	**88.52**
Tax at the enacted rate of 25.168%	**26.19**	**22.28**
Add :		
Tax effect of amount not deductible (taxable) while calculating taxable income		
Add :CSR Expense	1.71	1.86
Add: Payment To Special Welfare Fund Not Allowable	0.02	0.01
Others	(0.10)	(0.37)
Total Income Tax Expense	**27.82**	**23.78**

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note: 49 Earning Per Share

₹ in Crore

	Year Ended 31st March 2025	Year Ended 31st March 2024
Profit/(Loss) after Tax (₹ in crore)	76.26	64.74
Number of Equity shares	490578400	490578400
Weighted Average Number of Equity Shares	490578400	490578400
Face value per share (₹)	10	10
Basic earnings per share (₹)	1.55	1.32
Diluted earnings per share (₹)	1.55	1.32

The Company has not issued any security which will have the effect of diluting earnings on equity.

Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing:

(i) the profit attributable to owners of the company

(ii) by the weighted average number of equity shares outstanding during the financial year.

(b) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account

(i) the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

(ii) the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note: 50 Contingent Liabilities

₹ in Crore

	Year Ended 31st March 2025	Year Ended 31st March 2024
Claims against the Company not acknowledged as debts		
a. Pending Appellate/Judicial decisions:		
Income tax	47.95	44.36
Excise, Customs, GST and Service Tax	243.76	23.49
Sales Tax & Value Added Tax	6.92	6.95
Land compensation/development claims	1.46	1.39
Arbitration and civil cases*	152.58	107.57
b. Other claims	1.72	1.95
c. Claims in respect of legal cases filed against the company for labour and other matters, amount whereof is not ascertainable	-	-
	454.40	**185.71**

In Contingent Liability cases, interest on Statutory demands is recognised on receipt of demand notice.
* Includes demand of ₹ 47.72 crore by State Pollution Board against the the delay in dispoal of carbon slurry at Bathinda and Panipat Unit against which appeal filed by the company in National Green Tribunal (NGT) .

Note: 51 Capital & Other Commitment

	Year Ended 31st March 2025	Year Ended 31st March 2024
Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:		
(I) Estimated amount of contracts remaining to be executed on capital accounts and not provided for (net of advances).	166.35	232.04
(ii) Unutilized amount of Letter of Credit	14.48	13.71

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note: 52 Ind AS - 19 : Employee Benefits

52.1.1General description of defined benefit schemes:

Gratuity	Payable on separation @ 15 days pay for each completed year of service subject to maximum of ₹20 lakh to eligible employees who render continuous service of 5 years or more.
Leave Encashment {Earned Leave (EL) and Half Pay Leave(HPL)}	Payable on separation to eligible employees who have accumulated earned leave and half pay leave. During the service period encashment of accumulated earned leave is allowed in a financial year leaving minimum balance leave of 10 days.
Long Service Award (LSA)	Payable to employees on completion of specified years of service.
Post Retirement Settlement Benefits (PRSB)	Post Retirement Settlement Benefits (PRSB) for settlement at home town for employees and dependents
Legal heirs of deceased employees and disabled employees (separated) can opt for either of the following two schemes:	
Social Security Benefits (SSB)	Lump sum benefit payable for left over month of service limited to 60 month pay (maximum ₹ 9.00 lakhs with minimum benefits of ₹1.00 lakhs).
Employees' Family Economic Rehabilitation Scheme (EFERS)	Monthly payment along with medical and children education benefits in lieu of prescribed deposit upto the date of notional superannuation.

52.1.2 Provident Fund:

The Provident Fund contributions are made to a Trust. The interest rate payable to the members of the Trust shall not be lower than statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952.

During the year an amount of ₹ 36.27 crore (CPLY ₹ 37.27 crore) has been charged to statement of Profit and loss towards contribution by the Company.

The Provident Fund Trust set up by the Company is treated as Defined Benefit Plan since the Company has to meet the shortfall in the fund assets, if any. Further, having regard to the assets of the Fund and the Return on the Investments, the Company does not expect any deficiency in the foreseeable future. In terms of the guidance note issued by the Institute of Actuaries of India, the actuary has provided a valuation of provident fund liability and determined that there is no shortfall as at 31st March, 2025.
The funds of the trust have been invested under various securities as prescribed by regulatory authorities.

Notes to Standalone Financial Statements for the year ended 31st March 2025

52.1.3 Other disclosures/reconciliation, in respect of defined benefit obligation are as under:

₹ in Crore

	Gratuity		EL		HPL		PRSB		LSA		PF	
	24-25	23-24	24-25	23-24	24-25	23-24	24-25	23-24	24-25	23-24	24-25	23-24

(i) Reconciliation of present value of defined benefit obligations and plan assets:

1	Present value of projected benefit obligations at beginning of the year	264.32	277.34	115.19	113.92	119.97	112.38	1.79	1.69	0.67	0.73	1360.08	1352.15
2	Acquisition adjustment		-	-	-	-	-	-	-	-	-	-	-
3	Service Cost	6.64	7.07	6.68	6.65	5.42	4.94	0.08	0.08	0.05	0.04	36.27	37.27
4	Past Service Cost	-	-	-	-	-	-	-	-	-	-	-	-
5	Interest Cost	19.06	20.44	8.30	8.39	8.65	8.28	0.13	0.12	0.05	0.06	105.08	106.13
6	Actuarial (Gains) / Losses	0.86	1.05	24.42	23.81	6.82	5.27	(0.05)	0.04	0.03	0.05	0.18	(47.28)
7	Benefits Paid	(41.42)	(41.58)	(38.59)	(37.58)	(10.77)	(10.90)	(0.19)	(0.14)	(0.11)	(0.21)	(230.50)	(153.71)
8	Plan Participant's Contribution	-	-	-	-	-	-	-	-	-	-	61.23	64.22
9	Transfer in	-	-	-	-	-	-	-	-	-	-	0.44	1.30
10	Present value of projected benefit obligations at close of the year [1 to 9]	249.46	264.32	116.00	115.19	130.09	119.97	1.76	1.79	0.69	0.67	1332.78	1360.08
11	Fair Value of Plan assets at close of the year	(170.11)	(195.81)									1341.40	1367.74
12	Net Liability recognized in Balance Sheet at close of the year [10-11]	79.35	68.51	116.00	115.19	130.09	119.97	1.76	1.79	0.69	0.67	-	-

(ii) Reconciliation of fair value of assets and obligations [Refer Foot Note a below]:

1	Fair value of plan assets at beginning of the year	195.81	220.69	-	-	-	-	-	-	-	-	1367.74	1356.44
	Opening Adjustment as per balance sheet											(0.49)	(18.73)
2	Acquisition adjustment	-	-	-	-	-	-	-	-	-	-	61.67	65.52
3	Expected Return on plan assets	14.12	16.27	-	-	-	-	-	-	-	-	105.08	106.13
4	Actual Company's contribution	0.94	0.08	-	-	-	-	-	-	-	-	36.27	37.27
5	Actuarial Gains/(Losses)	0.64	0.26	-	-	-	-	-	-	-	-	1.63	(25.18)
6	Benefits Payments	(41.40)	(41.49)	-	-	-	-	-	-	-	-	(230.50)	(153.71)
7	Past service Cost	-	-	-	-	-	-	-	-	-	-	-	-
8	8 Fair value of plan assets at close of the year (1 to 7)	170.11	195.81	-	-	-	-	-	-	-	-	1341.40	1367.74
9	Present value of defined benefit obligation	249.46	264.32	-	-	-	-	-	-	-	-	1332.78	1360.08
10	Net liability recognized in the Balance Sheet at close of the year [9-8]	79.35	68.51	-	-	-	-	-	-	-	-	-	-
11	Maturity Profile of Defined Benefit Obligation												
	Within the next 12 months (Next	48.95	41.91	-	-	-	-	-	-	-	-	232.56	59.34
	Between 2 and 5 years	119.76	133.42	-	-	-	-	-	-	-	-	588.44	256.27
	More than 5 Years	80.75	88.99	-	-	-	-	-	-	-	-	511.78	1,044.47

Notes to Standalone Financial Statements for the year ended 31st March 2025

₹ in Crore

	Gratuity		EL		HPL		PRSB		LSA		PF	
	24-25	23-24	24-25	23-24	24-25	23-24	24-25	23-24	24-25	23-24	24-25	23-24

(iii) Expenses recognized in the Statement of Profit & Loss:

1	Service Cost	6.64	7.07	6.68	6.65	5.42	4.94	0.08	0.08	0.05	0.04	36.27	37.27
2	Interest Cost	19.06	20.44	8.30	8.39	8.65	8.28	0.13	0.12	0.05	0.06	105.08	106.13
3	Actuarial (Gains) / Losses	0.22	0.79	24.42	23.81	6.82	5.27	(0.05)	0.04	0.03	0.05	0.18	(47.28)
4	Expected return on Plan Assets	(14.12)	(16.27)	-	-	-	-	-	-	-	-	(105.08)	(106.13)
5	Total charged to P&L Account	11.80	12.03	39.40	38.85	20.89	18.49	0.16	0.24	0.13	0.15	-	-

(iv) Actuarial assumptions:

		As at 31st March, 2025	As at 31st March, 2024
1	Method used	Projected Unit credit	Projected Unit credit
2	Discount Rate (per annum)	6.78%	7.21%
3	Mortality Rate	Indian assured lives mortality (2012-14) modified ultimate	Indian assured lives mortality (2012-14) modified ultimate
4	Withdrawal Rates (per annum) upto 30 / 44 and above 44 years	Executives and Non Executives 3%/2%/1%, depending upon age	Executives and Non Executives 3%/2%/1%, depending upon age
5	Salary escalation taking into account inflation rate, seniority, promotion and other relevant factors	6.00%	6.00%

(v) Actuarial assumptions (PF):

		As at 31st March, 2025	As at 31st March, 2024
1	Discount Rate (per annum)	6.78%	7.21%
2	Interest Rate Guarantee	8.25%	8.25%

Sensitivity Analyses of the defined benefit obligation.

Effect of half percent point change in the Discount rate on Employee's Benefit Schemes

₹ in Crore

S. No.	Particulars	0.5 percent point decrease in	0.5 percent point increase in
1	Gratuity	6.03	(5.68)
2	Earned Leave	3.98	(3.68)
3	Half Pay Leave	3.16	(2.98)

Effect of half percent point change in the Salary escalation on Employee's Benefit Schemes

₹ in Crore

S. No.	Particulars	0.5 percent point decrease in	0.5 percent point increase in
1	Gratuity	(1.87)	1.80
2	Earned Leave	(3.72)	3.99
3	Half Pay Leave	(3.01)	3.17

Notes to Standalone Financial Statements for the year ended 31st March 2025

Foot Note:

a The Company has funded the gratuity liability through a separate Gratuity Fund. The fair value of the plan assets is mainly based on the information given by the insurance companies through whom the investment has been made by the fund. Gratuity liability of ₹ 79.35 crore (CPLY ₹ 68.51 crore) is unfunded as on 31st March, 2025. Other defined benefit obligations are unfunded.

52.1.4 Other Employee Benefit Schemes:

Provision of ₹ 0.91 crore (CPLY ₹ (2.36) crore) towards Employees' Family Economic Rehabilitation Scheme and Social Security Benefits Scheme has been charged on the basis of actuarial valuation and credited to the Statement of Profit and Loss account. A net liability of ₹ 14.50 crore (CPLY ₹13.59 crore) has been recognized in the Balance Sheet as at 31st March 2025 on account of these schemes.

52.1.5 Provident Fund:

12% of Basic Pay plus Dearness Allowance contributed to the Provident Fund Trust of the Company.

The Company does not anticipate any further obligation in the near foreseeable future having regard to the amount of the fund and return on investment as confirmed by the actuary.

52.1.6The major categories of plans assets are as follows:

₹ in Crore

Particulars	31st March 2025				31st March 2024			
	Quoted ₹	Unquoted ₹	Total `	in %	Quoted ₹	Unquoted `	Total `	in %
Equity instruments	18.45	-	18.45	1.42	6.95	-	6.95	0.53
Debt instruments	1244.82	-	1244.82	95.51	1301.36	-	1301.36	98.00
Asset backed securities	-	-	-	-	-	-	-	-
Investment funds	-	-	-	-	-	-	-	-
Derivatives	-	-	-	-	-	-	-	-
Cash & Cash Equivalents	-	40.07	40.07	3.07	-	19.58	19.58	1.47
Total	**1263.27**	**40.07**	1303.34	**100.00**	**1308.31**	19.58	**1327.89**	**100.00**

52.1.7

The Employee benefit of Provident Fund is administered through a separate NFL Employees Provident Fund Trust. Out of the investment made by PF trust in the past, one issuer of security has defaulted in payments. The value of Investment is ₹ 19.29 crore including interest. During the FY 2024-25, an amount of ₹ 0.98 crore has been received by Trust. Hence, considering the Employers obligation to make good the loss in value of investment under Provident Fund Regulations, Company has provided for ₹ 18.31 crore in the books of accounts.

Note 53 : Ind AS-108: Operating Segments

Ind AS-108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about product and services, geographical areas and major customers.

Company's primary business segments are

i) Manufactured Fertilizers (Urea, Bentonite Sulphur,Bio fertilizers)
ii) Manufactured Chemicals (Industrial Products, Agro Chemicals, etc)
iii) Traded Imported Fertilizers (Under NBS)
iv) Others (Domestic Traded Product, Agro Inputs, Sale Services, etc.).

and are reportable segments under Ind AS 108. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

Notes to Standalone Financial Statements for the year ended 31st March 2025

53.1.1Geographical Segment:

The operations of the company are conducted within India and there is no separate reportable geographical segment.

53.1.2The disclosure of segment-wise information is as below:

₹ in Crore

PARTICULARS	Year Ended 31st March 2025	Year Ended 31st March 2024
Segment Revenue		
Manufactured Fertilizers (Urea, Bentonite Sulphur,Bio fertilizers)	13433.16	13680.35
Manufactured Chemicals (Industrial Products, Agro Chemicals, etc)	586.02	469.08
Traded Imported Fertilizers (Under NBS)	4530.70	8095.51
Others (Domestic Traded Product, Agro Inputs, Sale Services, etc.)	1395.87	1471.29
Less : Eliminations	151.25	155.92
Total Segment Revenue	**19794.50**	**23560.31**
Segment Results		
Manufactured Fertilizers (Urea, Bentonite Sulphur,Bio fertilizers)	93.30	46.38
Manufactured Chemicals (Industrial Products, Agro Chemicals, etc)	140.85	99.30
Traded Imported Fertilizers (Under NBS)	41.97	91.93
Others (Domestic Traded Product, Agro Inputs, Sale Services, etc.)	126.12	178.16
Total Segment Results	**402.24**	**415.77**
Finance expenses	225.68	267.30
Unallocable Expenses (Net of unallocable income)	72.48	59.95
Profit / (Loss) Before exceptional item & tax	**104.08**	**88.52**
Exceptional Item	-	-
Profit / (Loss) Before Tax	104.08	88.52
Provision for Tax	27.82	23.78
Profit After Tax	**76.26**	**64.74**
Other comprehensive income (net of taxes)	(0.13)	(0.61)
Total Comprehensive Income	**76.13**	**64.13**
Segment Assets		
Manufactured Fertilizers (Urea, Bentonite Sulphur,Bio fertilizers)	6670.34	6713.13
Manufactured Chemicals (Industrial Products, Agro Chemicals, etc)	125.79	136.54
Traded Imported Fertilizers (Under NBS)	1362.53	3151.26
Others (Domestic Traded Product, Agro Inputs, Sale Services, etc.)	72.94	52.71
Unallocable	1127.43	1298.78
Segment Assets	**9359.03**	**11352.42**
Segment Liabilities		
Manufactured Fertilizers (Urea, Bentonite Sulphur,Bio fertilizers)	3985.74	3943.36
Manufactured Chemicals (Industrial Products, Agro Chemicals, etc)	31.16	27.49
Traded Imported Fertilizers (Under NBS)	289.37	281.66
Others (Domestic Traded Product, Agro Inputs, Sale Services, etc.)	42.97	42.77
Unallocable	2245.82	4356.05
Segment Liabilities	**6595.06**	**8651.33**
Capital Expenditure		
Manufactured Fertilizers (Urea, Bentonite Sulphur,Bio fertilizers)	186.33	209.07
Manufactured Chemicals (Industrial Products, Agro Chemicals, etc)	1.55	13.36
Traded Imported Fertilizers (Under NBS)	-	-
Others (Domestic Traded Product, Agro Inputs, Sale Services, etc.)	-	-
Unallocable	49.27	2.19
Capital Expenditure	**237.15**	**224.62**
Depreciation and Amortisation expenses		
Manufactured Fertilizers (Urea, Bentonite Sulphur,Bio fertilizers)	354.71	346.86
Manufactured Chemicals (Industrial Products, Agro Chemicals, etc)	14.80	13.06
Traded Imported Fertilizers (Under NBS)	-	-
Others (Domestic Traded Product, Agro Inputs, Sale Services, etc.)	-	-
Unallocable	3.49	1.76
Depreciation and Amortisation expenses	**373.00**	**361.68**
Non-cash expenses other than Depreciation and Amortisation		
Manufactured Fertilizers (Urea, Bentonite Sulphur,Bio fertilizers)	15.99	8.83
Manufactured Chemicals (Industrial Products, Agro Chemicals, etc)	-	0.07
Traded Imported Fertilizers (Under NBS)	4.25	3.62
Others (Domestic Traded Product, Agro Inputs, Sale Services, etc.)	-	-
Unallocable	0.01	0.03
Non-cash expenses other than Depreciation and Amortisation	**20.25**	**12.55**

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note: 54 Ind AS-24: Related Party Disclosures

A) Nature of Relationship

Joint Ventures

Name of the Related Party

Urvarak Videsh Limited
Ramagundam Fertilizers & Chemicals Limited

B) Nature of Relationship

Key Management Personnel

Name of the Related Party

(i) Dr. U. Saravanan
Chairman & Managing Director w.e.f. 16.06.2023

(ii) Shri Hira Nand
Director (Finance) and Chief Financial Officer

(iii) Shri Rajan Kanwar
Director (Technical)

(iv) Shri Mahesh Chander Gupta
Director (Marketing) w.e.f. 11.03.2025

(v) Shri Ashok Jha
Company Secretary

C) Key management personnel compensation

₹ in Crore

	31st March 2025	31st March 2024
Short-term employee benefits	1.98	2.17
Post-employment benefits	-	-
Other Long-term employee benefits	0.42	0.47
Termination benefits	-	-
Share based payment	-	-
Total Compensation	**2.40**	**2.64**

D) Post Employment Benefit Plans:

i) NFL Provident Fund Trust

ii) NFL Pension Trust

iii) NFL Gratuity Trust

E) Entities under the control of the same government:

The company is a Central Public Sector Undertaking (CPSU) controlled by Central Government by holding 74.71% of paid up share capital through President of India (31 March 2025- 74.71%) and is under Ministry of Chemicals and Fertilizers. The Group has transactions with other Government related entities, which significantly includes but not limited to purchase of fuel (coal, gas) and other services, rendering consultancyand other services. Transactions with these parties are carried out at market terms and on terms comparable to those with other entities that are not Government-related generally through a transparent price discovery process against open tenders.

Notes to Standalone Financial Statements for the year ended 31st March 2025

F) Others:

Fertilizer Education Society

G) Transactions with Related parties:

(i) During the year, there were transactions of ₹ 765.60 crore (CPLY ₹ 706.23 crore) with Ramagundam Fertilizers & Chemicals Limited towards purchase of goods of ₹ 666.01 crore (CPLY ₹ 616.49 crore), secondment salary of ₹ 8.65 crore (CPLY ₹ 12.13 crore), Share of Marketing Expense of ₹ 30.73 crore (CPLY ₹ 24.73 crore), Transportation Expense of ₹ 33.77 crore (CPLY ₹ 29.26 crore), Services Charges of ₹ 26.43 crore (CPLY ₹ 23.41 crore) and Others of ₹ 0.01 crore (CPLY ₹ 0.21 crore). The amount recoverable from Ramagundam Fertilizers & Chemicals Limited as on 31.03.2025 is ₹ 92.54 crore (CPLY ₹ 170.87 crore) and amount payable to Ramagundam Fertilizers & Chemicals Limited as on 31.03.2025 is ₹ 263.44 crore (CPLY ₹ 231.32 crore).

During the year transactions with Fertilizer Education Society is ₹ 5.25 crore (CPLY ₹ 4.53 crore).

During the year, transactions with NFL PF Trust were of ₹ 38.38 crore (CPLY ₹ 37.14 crore) and transaction with NFL Pension Trust were of ₹ 11.12 crore (CPLY ₹ 11.03 crore).

(ii) Remuneration to Key Management Personnel at (C) above is ₹ 2.40 crore (CPLY ₹ 2.64 crore). In addition to the above, they are eligible for non monetary perquisites as per Government of India guidelines.

Note: 55 Ind AS-36: Impairment of assets

In accordance with Ind AS-36, the carrying amount of Property, Plant & Equipment have been reviewed at year-end for indication of impairment loss, if any, by considering assets of entire one plant as Cash Generating Unit. As there is no indication of impairment, no loss has been recognized during the year.

Note 56

As per requirements of the listing agreements with the stock exchanges, the requisite details of loans and advances in the nature of loans given by the Company are as under:

(i) There are no loans and advances in the nature of loans to any subsidiary.

(ii) No loans have been given (other than loans to employees), wherein there is no repayment schedule or repayment is beyond seven years; and

(iii) There are no loans and advances in the nature of loans to firms/companies in which Directors are interested.

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note: 57 Corporate Social Responsibility

A) As per Section 135 of the Companies Act 2013 read with guidelines issued by DPE, the Company is required to spend, in every financial year, at least two percent of the average profits of the Company made during the three immediately preceding financial years in accordance with its CSR Policy. The details of CSR expenses for the year are as under:

₹ in Crore

	PARTICULARS	Current period	Previous period
A	**Balance of CSR Fund carried forward from earlier year**	-	-
B	Amount required to be spent during the year (As per Companies Act)	5.67	7.40
C	Total (A+B)	5.67	7.40
D	CSR cash expenses during the year	6.81	6.92
E	Provision made for CSR ongoing projects expenses for the amount to be deposited in separate Bank Account.	-	0.48
F	Provision made for unspent CSR expenditure (Other than Ongoing projects).	-	*
G	**Closing Balance of CSR Fund (C-D-E-F)**	-	**0.00**

* Value being Less than ₹ 50,000.

B) Break-up of the CSR expenses under major heads is as under:

₹ in Crore

	PARTICULARS	Amount
1	Health and Sanitation	4.29
2	Education & Skill Development	2.11
3	Promoting gender, empowering women, setting up homes	-
4	Environmental & Sustainability	0.06
5	Measure for the benefit of Armed Force	-
6	Training to Promote Rural Sports, paralympic sports	-
7	Rural Development projects	0.35
	Total	**6.81**

C) ₹ Nil crore (CPLY ₹ 0.48 crore) towards unspent amount of "Ongoing Project" has been transferred to a separate Bank Account as per the provisions of Section 135 (6) of the Companies Act, 2013.

D) During the FY 2024-25, the total movement in unspent CSR liability is of ₹ 0.48 crore.

Note: 58 Remittance in foreign currencies for dividends

The Company has not paid any Dividend during Financial Year 2024-25

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note: 59 Fair Value Measurement

Financial instruments by category

₹ in Crore

PARTICULARS	March 31, 2025			March 31, 2024		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investment	-	-	491.48	-	-	491.48
Loan	-	-	16.25	-	-	16.12
Other Financial Assets	-	-	140.19	-	-	181.45
Trade Receivables	-	-	3273.30	-	-	4037.09
Cash and Cash Equivalents	-	-	17.81	-	-	29.36
Other Bank Balances	-	-	14.97	-	-	8.58
Total financial assets	**-**	**-**	**3954.00**	**-**	**-**	**4764.08**
Financial liabilities						
Borrowings						
Borrowings	-	-	1995.77	-	-	4088.33
Lease Liabilities	-	-	5.28	-	-	2.40
Other Financial Liabilities	-	-	498.66	-	-	430.66
Security Deposits	-	-	361.37	-	-	359.48
Trade Payables	-	-	1537.27	-	-	1435.18
Total financial liabilities	**-**	**-**	**4398.35**	**-**	**-**	**6316.05**

(i) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements

At 31 March 2025	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial Investments at FVTPL:					
Investment in NFL Employees' Consumer co-operative stores		-	-	-	-
Financial Investments at FVOCI:					
Total financial assets					
Financial liabilities		-	-	-	-
Total financial liabilities					

At 31 March 2024	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial Investments at FVTPL:					
Investment in NFL Employees' Consumer co-operative stores		-	-	-	-
Financial Investments at FVOCI:					
Total financial assets					
Financial liabilities		-	-	-	-
Total financial liabilities					

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

₹ in Crore

At 31st March 2025	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Investment		-	-	491.48	**491.48**
Loans		-	-	16.25	**16.25**
Other Financial Assets		-	-	140.19	**140.19**
Trade Receivables		-	-	3273.30	**3273.30**
Cash and Cash Equivalents		-	-	17.81	**17.81**
Other Bank Balances		-	-	14.97	**14.97**
Total Financial Assets		-	-	**3954.00**	**3954.00**
Financial Liabilities					
Borrowings					
Term Loan				-	**-**
Borrowings		-	-	1995.77	**1995.77**
Lease Liability		-	-	5.28	**5.28**
Other Financial Liabilities		-	-	498.66	**498.66**
Security Deposits		-	-	361.37	**361.37**
Trade Payables		-	-	1537.27	**1537.27**
Total financial liabilities				**4398.35**	**4398.35**

At 31st March 2024	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Investment		-	-	491.48	**491.48**
Loan		-	-	16.12	**16.12**
Other Financial Assets		-	-	181.45	**181.45**
Trade Receivables		-	-	4037.09	**4037.09**
Cash & Cash Equivalents		-	-	29.36	**29.36**
Other Bank Balances		-	-	8.58	**8.58**
Total financial assets		-	-	**4764.08**	**4764.08**

	Notes	Level 1	Level 2	Level 3	Total
Financial Liabilities					
Borrowings					
Term Loan		-	-	-	**-**
Borrowings		-	-	4088.33	**4088.33**
Lease Liability		-	-	2.40	**2.40**
Other Financial Liabilities		-	-	430.66	**430.66**
Security Deposits		-	-	359.48	**359.48**
Trade Payables		-	-	1435.18	**1435.18**
Total financial liabilities		-	-	**6316.05**	**6316.05**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfers between levels 1 and 2 during the year.

The company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of foreign currency option contracts is determined using Black Scholes valuation model.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 3.

(iii) Fair value measurements using significant unobservable inputs (level 3)

	Equity Instruments	Total
As at 31st March, 2025	N.A.	
As at 31st March, 2024	N.A.	

(iv) Fair value of financial assets and liabilities measured at amortised cost

₹ in Crore

	March 31, 2025		March 31, 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Investment	491.48	491.48	491.48	491.48
Loan	16.25	16.25	16.12	16.12
Other Financial Assets	140.19	140.19	181.45	181.45
Trade Receivables	3273.3	3273.3	4037.09	4037.09
Cash & Cash Equivalents	17.81	17.81	29.36	29.36
Other Bank Balances	14.97	14.97	8.58	8.58
Total financial assets	**3954.00**	**3954.00**	**4764.08**	**4764.08**
Financial Liabilities				
Borrowings				
Borrowings	1995.77	1995.77	4088.33	4088.33
Lease Liability	5.28	5.28	2.40	2.40
Other Financial Liabilities	498.66	498.66	430.66	430.66
Security Deposits	361.37	361.37	359.48	359.48
Trade Payables	1537.27	1537.27	1435.18	1435.18
Total Financial Liabilities	**4398.35**	**4398.35**	**6316.05**	**6316.05**

The carrying amounts of trade receivables, trade payables, borrowing, cash and cash equivalents and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values for loans and security deposits were calculated based on cash flows discounted using a current lending rate. The discount rate considered for FY 2024-25 is 8.65% (CPLY 8.50%). They are classified as level 3 fair values in the fair value hierarchy since significant inputs required to fair value an instrument are not observable

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy since significant inputs required to fair value an instrument are not observable

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note No. 60 Financial Risk Management

The company's activities expose it to market risk, liquidity risk and credit risk.
This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortized cost.	Aging analysis, Credit Analysis, Post Dated Cheques and Security Deposit.	Diversification of bank deposits, credit limits and Bank Guarantees
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash Flow Forecasting, Monitoring of Forex Risk Management Policy	Forward Foreign exchange contracts
Market risk – interest rate	Long-term borrowings at variable rates	Monitoring of Forex Risk Management Policy	Interest Rate Swap

The company's risk management is carried out by Forex Risk Management Committee (FRMC) / central treasury department and marketing department under Co's policies approved by the Board of Directors. FRMC/Treasury identifies, evaluates and hedges financial risks. The Board provides policy for overall risk management, marketing manual, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, derivative financial instruments and investment of excess liquidity.

(A) Credit risk

Credit Risk refers to the risk of default on its obligations resulting in financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 3320.65 crore and ₹ 4080.47 crore as of March 31, 2025 and March 31, 2024, respectively. Trade receivables mainly constitute subsidy receivable from Government of India and from sale of fertilizers to dealers. Trade receivables from dealers are partially secured. Credit risk is being managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to allow credit terms in the normal course of business.

Breakup of Trade Receivables is as under:

Party Wise breakup of Trade Receivables				
Category	**31.03.2025 ₹ in crore**	**% of Total Debtors**	**31.03.2024 ₹ in crore**	**% of Total Debtors**
Govt of India (Subsidy)	3001.52	90.39	3592.02	88.03
Institutional Dealers	281.55	8.48	259.16	6.35
Private Dealers	37.58	1.13	229.29	5.62
Total Trade Receivables	**3320.65**	**100.00**	**4080.47**	**100.00**
	31.03.2025	**% of Debtors to Total Sales**	**31.03.2024**	**% of Debtors to Total Sales**
Total Sales	19532.86	17.00	23241.43	17.56

Note - The Total Subsidy Receivable is ₹ 3001.52 crore (CPLY ₹ 3592.02 crore).

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities given below) and cash and cash equivalents on the basis of expected cash flows.

Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

₹ in Crore

	31 March, 2025	31 March, 2024
Floating rate Expiring within one year (Bank Overdraft/CC Limit and other facilities)	6,338.20	5,813.75

The Bank Overdraft/Cash Credit (CC)/Short term loan (STL) facilities may be drawn at any time and may be called back by the bank at their discretion. The credit facilities of Banks are subject to compliance with sanctioned terms & conditions. The credit facilities have an average maturity of 1 year.

(C) Market Risk – Foreign Exchange

The Position of Hedged Foreign Currency exposures are as under:-

₹ in Crore

Particulars	Hedged Exposures	Cross Currency	As on 31.03.2025	As on 31.03.2024
Foreign Currency exchange contracts	Trade Exposure for import of fertilizers	-	166.60	-
	Foreign Currency Term Loan (ECB)	-	-	-

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under:-

₹ in Crore

Particulars	As on 31.03.2025	As on 31.03.2024
Foreign Currency Term Loan (ECB)	-	-
Trade Exposure for import of fertilizers	-	-

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note No. 61 Capital Management

(a) Risk management

The company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt as per guidelines of Government of India

Consistent with others in the industry, the company monitors capital on the basis of the following gearing ratio:
Debt (long term borrowings)
divided by
Total 'Equity' (as shown in the balance sheet).

The company's strategy is to maintain Debt Equity ratio within 2.5:1. The Debt Equity ratio is as follows:

₹ in Crore

Particulars	31 March, 2025	31 March, 2024
Debt	-	-
Total equity	2763.97	2701.09
Debt to equity ratio (in times)	-	-

(b) Dividends

During the year company has paid Final Dividend of ₹13.25 crore for FY 2023-24 (CPLY ₹136.87 crore).

Note No. 62

Purchase Tax Liability estimated at ₹ 57.41 crores for the period 1st Sep 2001 to 31st March 2006 has been provided, pending final assessment, determination and demand by Tax Authorities. (Note-36 Other Current Liabilities).

Note No. 63

The Company undertook a significant system transition, moving from its previously used Oracle-based system to a new SAP ERP system w.e.f. 1st January 2025. All business transactions for the quarter 1st January 2025 to 31st March 2025 were processed exclusively in SAP. Transactions for the preceding nine-months (1st April 2024 to 31st Dec 2024) remained in Oracle system.

The migration entailed substantial data extraction, cleansing and re-mapping between two distinct system architectures. Field level reconciliations of master and transactional data was carried out which was validated by external SAP experts to validate cut over data.

Notes to Standalone Financial Statements for the year ended 31st March 2025

Note No. 64 Additional Regulatory Information

a) Details of Benami Property Held

The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property:

b) The Company has not been declared willful defaulter by any bank or financial institution or any other lender.

c) There are no material transactions with respect to struck off companies as mentioned under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

d) The Company does not have any charges or satisfaction of charges which are yet to be registered with ROC beyond the statutory period

e) Provision regarding the number of layers prescribed under Section of Section 2 (87) of the Act read with the Companies (Restriction on number of layers) Rules, 2017 is not applicable.

f) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of Income Tax Act, 1961).

g) The Company has not traded or invested in crypto currency or virtual currency during the respective financial year/period.

h) The Company does not have any scheme of arrangements which have been approved by the Competent Authority in terms of Section 230 to 237 of the Companies Act, 2013

i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

   a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

   b. Provide any guarantee, security or like to or on behalf of the Ultimate Beneficiaries.

j) 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 the behalf of the Ultimate Beneficiaries.

k) Ratios

S.No.	Particulars	Numerator	Denominator	₹ in crore		% variance	Reasons for variance
				2024-25	2023-24		
1	**Current Ratio**						
1.a		Current Assets		4941.29	6636.44		Variance < 25%
1.b		Less: Assets held for disposals		-	-		
1.c		**Current Assets**		**4941.29**	**6636.44**		
1.d			Current Liabilities	4908.87	6779.59		
1.e			Less: Deferred Government Grant	(191.97)	(196.93)		
1.f			**Current Liabilities**	4716.90	6582.66		
	Current ratio (1.c/2.f)			**1.05**	**1.01**	**3.91%**	

S.No.	Particulars	Numerator	Denominator	₹ in crore		% variance	Reasons for variance
				2024-25	2023-24		
2	**Debt-Equity Ratio**						
2.a		Long Term Borrowings		-	-		Decreased due to lower borrowing during the current year as compared to CPLY.
2.b		Add: Short Term borrowings		1995.77	4088.33		
2.c		**Total Debt**		**1995.77**	**4088.33**		
2.d			Equity Share Capital	490.58	490.58		
2.e			Add : Other equity	2273.39	2210.51		
2.f			**Equity (Shareholders Funds)**	**2763.97**	**2701.09**		
	Debt-Equity Ratio (2.c/2.f)			**0.72**	**1.51**	**-52.29%**	
3	**Debt service coverage ratio**						
3.a		**Profit After Tax**		76.26	64.74		Debt Equity Service Coverage ratio has mainly increased due to increase in Profit and repayment of Long Term Loan during FY 2023-24.
3.b		Add : Depreciation and amortisation		373.00	361.68		
3.c		Add: Finance cost		225.68	267.30		
		Add: Loss on Sale of Assets		-	-		
3.d		**Earnings Available for Debt-Service**		**674.94**	**693.72**		
3.e			Interest Expense	225.68	267.30		
3.f			Add: Principal Repayments	-	639.78		
3.g			**Total Debt service**	225.68	907.08		
	Debt service coverage ratio (3.d/3.g)			**2.99**	**0.76**	**291.05%**	
4	**Return on Equity (ROE)**						
4.a		**Profit After Taxes**		**76.26**	**64.74**		Variance < 25%
			Average Shareholder's Equity				
4.b			Opening Shareholder's Equity	2701.09	2773.83		
4.c			Closing Shareholder's Equity	2763.97	2701.09		
4.d			Average Shareholder's Equity	**2732.53**	**2737.46**		
	Return on Equity (ROE) (4.a/4.d)			**2.79%**	**2.36%**	**18.01%**	
5	**Inventory Turnover Ratio**						
5.a		**Sales**		19532.86	23241.43		Inventory Turnover ratio is increased due to lower closing stock at the end of reporting period as compared to CPLY.
5.b			Opening Inventory of Finished Goods	273.18	274.65		
5.c			Opening Inventory of Traded goods	1156.82	2506.54		
5.d			Total Opening Inventory	1430.00	2781.19		
5.e			Closing Inventory of Finished Goods	216.07	273.18		
5.f			Closing Inventory of Traded goods	330.56	1156.82		
5.g			Total closing Inventory	546.63	1430.00		
5.h			**Average Inventory {(5.d+5.g)/2}**	**988.32**	**2105.60**		
	Inventory Turnover Ratio (5.a/5.h)			**19.76**	**11.04**	**79.05%**	

S.r.	Particulars	Numerator	Denominator	₹ in crore		% variance	Reasons for variance
				2024-25	2023-24		
6	**Trade Receivables Turnover Ratio**						
6.a		Sales		19532.86	23241.43		Variance < 25%
6.b			Opening Trade Receivables	4037.09	4118.53		
6.c			Closing Trade Receivables	3273.30	4037.09		
6.d			**Average Trade Receivables**	**3655.20**	**4077.81**		
	Trade Receivables Turnover Ratio (6.a/6.d)			**5.34**	**5.70**	**-6.24%**	
7	**Trade Payables Turnover Ratio**						
7.a		**Total Purchases**		16480.86	19246.74		Variance < 25%
7.b			Opening Trade Payables	1348.39	1755.93		
7.c			Closing Trade Payables	1537.27	1348.39		
7.d			**Average Trade Payables**	**1442.83**	**1552.16**		
	Trade Payables Turnover Ratio (7.a/7.d)			**11.42**	**12.40**	**-7.88%**	
8	**Net Capital Turnover Ratio**						
8.a		**Sales**		19532.86	23241.43		Net Capital Turnover Ratio has decreased due to lower inventory and lower borrowing at the end of the reporting period.
8.b			Current Assets (as per 1.c)	4941.29	6636.44		
8.c			Current Liabilities (as per 1.f)	4716.90	6582.66		
8.d			**Working Capital**	**224.39**	**53.78**		
	Net Capital Turnover Ratio (8.a/8.d)			**87.05**	**432.16**	**-79.86%**	
9	**Net Profit Ratio**						
9.a		Profit After Tax (as per 4.a)		76.26	64.74		Net Profit Ratio of current year is higher due to higher profit in current period and lower sales value.
9.b			**Sales**	**19532.86**	**23241.43**		
	Net profit ratio (9.a/9.b)			**0.39%**	**0.28%**	**40.16%**	
10	**Return on Capital Employed**						
10.a		Profit Before Tax (as per 3.a)		104.08	88.52		Return on capital employed is higher due to higher profit during current year as explained above.
10.b		Add : Finance cost (as per 3.c)		225.68	267.30		
10.c		**Earnings before interest and tax**		329.76	355.82		
10.d			Net Worth (as per 2.f)	**2763.97**	**2701.09**		
10.e			Add: Total Debt (as per 2.c)	1995.77	4088.33		
10.f			Add: Deferred Tax Liability	83.55	74.87		
10.g			**Capital Employed**	4843.29	6864.29		
	Return on Capital Employed (10.c/10.g)			6.81%	**5.18%**	**31.35%**	
11	**Return on Investment**		**Not Applicable**				

l) The quarterly returns / statement of current assets filed by the company with banks / financial instituition are in agreement with the books of accounts except as given below:

Quarter Ended	Name of Bank	Particulars of Securities Provided	Amount as per books of accounts*	Amount as reported in the quartely return/ statement	Amount of Difference	Reason for material discrepanices
Jun, 2024	State Bank of India	Inventories	852.90	930.54	(77.64)	On account of provisional figures taken based on unaudited accounts
	State Bank of India	Trade Receivable	5,287.65	6,847.69	(1,560.04)	
	State Bank of India	Trade Payables	1,638.15	944.91	693.24	
Sep, 2024	State Bank of India	Inventories	998.86	730.97	267.89	
	State Bank of India	Trade Receivable	2,410.15	3,267.81	(857.66)	
	State Bank of India	Trade Payables	1,574.22	1,258.42	315.80	
Dec, 2024	State Bank of India	Inventories	866.87	787.22	79.65	
	State Bank of India	Trade Receivable	3,243.83	3,091.02	152.81	
	State Bank of India	Trade Payables	1,585.52	1,033.88	551.64	
Mar, 2025	State Bank of India	Inventories	910.58	1,025.69	(115.11)	
	State Bank of India	Trade Receivable	3,265.22	2,760.28	504.94	
	State Bank of India	Trade Payables	1537.27	876.02	661.25	

* include provision and unbilled amount of subsidy for Urea and Freight.

Note No. 65 Others

a) During the year, certain wording changes are made in the material accounting policies for improved disclosures. There is no impact on the financial statements due to these changes.

b) The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

For and on behalf of the Board of Directors

(Ashok Jha)
Company Secretary
A-14100

(Hira Nand)
Director (Finance)
DIN No. 09476034

(Dr. U. Saravanan)
Chairman & Managing Director
DIN No. 07274628

As per our report of even date attached

For Dhawan & Co.
Chartered Accountants
Firm Regd. No. 002864N

(Deeksha Kapoor)
Partner
Membership No. 460453

For RSPH & Associates
Chartered Accountants
Firm Regd. No. 003013N

(Tarun Kumar Batra)
Partner
Membership No.094318

Place: Noida
Date: 30.05.2025

Auditor's Report

Dhawan & Co.
Chartered Accountants,
312, Wegmans House,
21-Veer Savarkar Block,
Vikas Marg, Shakarpur,
Delhi-110092

R S P H & Associates,
Chartered Accountants,
906, Vikram Tower,
16-Rajendra Place,
New Delhi-110008

INDEPENDENT AUDITOR'S REPORT

To
The Members of
National Fertilizers Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of National Fertilizers Limited (herein after referred to as "the Company") and its jointly controlled entities, which comprise the consolidated Balance Sheet as at 31st March 2025, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Statement of Cash Flows and the consolidated Statement of Changes in Equity for the year then ended and notes to the financial statements including a summary of the material accounting policies and other explanatory information (herein after referred to as "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditor's on separate financial statements and on the other financial information of the jointly controlled entities, 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 Standards ("IND AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the consolidated state of affairs of the company and its jointly controlled entities as at 31st March 2025, its consolidated profit (including other comprehensive income), consolidated changes in equity and 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 company and its jointly controlled entities in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor's in terms of their reports referred to in Other Matter section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to:

(i) Note No. 37A(ii) of accompanying consolidated financial statements regarding recognition of revenue for adversity of subsidy amounting to ₹ 134.14 Crore on the basis of DOF letter for "No Profit – No Loss" basis.

(ii) Note No. 37A(iii) of accompanying consolidated financial statements which describes the recognition of revenue of ₹ 323.92 Crore and recognition of disadvantage of ₹ 18.17 Crore in inventory on account of advantage/disadvantage on upward/downward trend in CFR prices of imported P&K Fertilizers.

(iii) Note No. 37A(iv) of accompanying consolidated financial statements which describes the recognition of subsidy of ₹ 174.54 Crore towards special package of ₹ 3,500 PMT of DAP to meet 'other cost' over and above the subsidy under Nutrient Based Subsidy Scheme.

Our opinion is not modified in respect of above matters.

The following **"Emphasis of Matter"** is given by another firm of Chartered Accountants vide their audit report dated 23rd May, 2025 on the financial statements of Ramagundam Fertilizers and Chemicals Limited, a jointly controlled entity of the company which is reproduced by us as under:

We draw attention to Note No. 48 relating to expenses incurred for implementation of Environment Management Plan and related matter as mentioned in said note

(Note No. 48)

"In terms of Environment Management Plan (EMP) submitted to Ministry of Environment at pre-project stage, company provided a plan to incur ₹ 877 lakhs recurring costs per annum for implementation of EMP under various activities.

During the year, company has incurred a cost of ₹ 1026.93 lakhs (P.Y. ₹ 1002.67 lakhs) including cost of ₹ 774.40 lakhs (P.Y. ₹ 682.85 lakhs) towards steam and power consumption costs allocated based on engineering practices required for air and water treatment to meet the environment compliances. In the opinion of management supported by the independent expert agency's view, these activities are covered under EMP. Expert agency also confirms that other recurring expenses incurred by the company are aligned with the heads under EMP.

Further, management is of the opinion which is supported by independent expert agency's view that obligation to incur recurring costs on various activities is on overall basis which is being complied with and same is not based on individual activities as envisaged at pre-project stage in the EMP. In the opinion of the management, the company is compliant of the required environment norms. Further, the company is regular in submitting periodical reports to authorities and till date no observation / issue has been raised by the authorities in this regard. In view of the above, management is of considered view that company is compliant with recurring costs obligations as provided in EMP."

The following "Emphasis of Matter' is given by another firm of Chartered Accountants vide their audit report dated 27 May, 2025 on the financial statements of Urvarak Videsh Limited, a jointly controlled entity of the company which is reproduced by us as under:

Material Uncertainty related to going concern

We draw attention to Note No 16 in the financial statements, which mentions that the Company has been declared dormant company on 4th November 2015 by Registrar of Company, Delhi. As stated in the Note, these events or conditions indicate that a material uncertainty exists that may cast significant doubt in the Company's ability to continue as a going concern.

(Note No. 16)

Urvarik Videsh Limited vide its letter dated 24.05.2013 to the Department of Fertilizers had requested for authorization as canalizing agency for import of urea. No reply has been received from DoF so far and is still awaited. The Company has been declared as Dormant Company on 04.11.2015 by Registrar of Company, Delhi.

Our opinion is not modified in respect of above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditor's on separate financial statements and on the other financial information of the jointly controlled entities, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report. Summary of the same is mentioned here under:

S.No.	Key Audit Matter	Response to Key Audit Matter
1	**Revenue recognition** Recognition of subsidy is made on the basis of in-principle recognition/ approval/ orders settlement of claims from Fertilizer Industry Coordination Committee (FICC), Department of Fertilizers (DoF), Government of India, while finalizing the financial statements. Also the FICC regulates such subsidy and the bills raised on such notifications. Escalation/de-escalation in notified rates is estimated taking into account the effect of guidelines, policies, instructions and clarifications given. Since there is a time lag between actual expenditure incurred and notification of concession rates for the year, management exercises significant judgment in arriving at the income entitled on account of same for the year. Therefore, there is a risk of revenue being misstated on account of estimation of concession/ Import Parity Price (IPP) rates yet to be notified. Regarding process of Collection, utilization and retention of Retailer Margin.	**Principal Audit Procedures** The following principal audit procedures have been performed by us in relation to revenue recognition: a) We have reviewed the company's material accounting policies for Revenue Recognition (Refer Note No. 1.2.3 (b) of the consolidated financial statements), relevant Notifications and Circulars issued by the DoF, Government of India. b) We have carried out substantive procedures on sample basis for evaluation of operating effectiveness of key controls over subsidy and each income stream, basis of management estimation and their corresponding disclosure. c) We have reviewed directions of FICC, various Notifications/orders issued from time to time and management assessment in relation to retailer margin.
2	**Estimation of Provision & Contingent Liabilities** The company has its operations in various States within India, exposing it to a variety of different Central and State laws. Litigations and claims may arise from direct and indirect tax proceedings. Resolution of litigations and claims proceedings may span over multiple years beyond 31st March 2025.	**Principal Audit Procedures** Our audit process involved understanding of identification process relating to litigations, claims and contingent liabilities. We have evaluated the design and testing the operating effectiveness of controls in respect of process.

	The determination of a provision or contingent liability requires significant judgement by the company because of the inherent complexity in estimating future liabilities. The company has reported contingent liabilities amounting to ₹ 454.40 Crores in Note No. 50 to consolidated financial statement. The provisions and contingent liabilities are subject to changes in the outcomes of litigations and claims over time as new facts emerge as each legal case progresses and positions taken by the company. There is an inherent complexity in estimations of magnitude of potential exposures. Significant judgment is required to estimate the likelihood amount of cash outflows, timing based on interpretations of the legal aspects, opinions, demand notices, relevant judgements etc.	We have evaluated management's assessment of the likely outcome and potential exposures arising from significant contingencies subject to ongoing court cases and arbitration proceedings and considered the requirements for any provision as per the best estimate of the possible expenditure. In respect of significant claims, we checked the amount of claim, nature of issues involved, management submissions and corroborated the same with external evidence, where ever available.
3	**Trade Receivables** Trade Receivables appearing in financial statement consists of receivables from sale of products as well as receivable from Government of India in the form of subsidy. Trade Receivables amounting to ₹ 3273.30 crores including subsidy receivable of ₹ 3001.52 crores were outstanding as at 31st March 2025. Refer Note No. 13 to the consolidated financial statements.	**Principal Audit Procedures** Our audit approach was a combination of test of internal controls and substantive procedures which included the following: a) In respect of Subsidy recoverable from Government of India, as no confirmation of balance is on record, we have relied on the management's assertion and estimates on the recoverability. As subsidy receivable is outstanding from Department of Fertilizer, Government of India (i.e. Sovereign Authority) and is backed by the approved claims generated from MFMS (Mobile Fertilizer Management System), amount outstanding as at balance sheet date has been considered as recoverable (net of provisions). b) In respect of receivables other than subsidy receivables, management have sent request for confirmation from the parties. The response to the request was checked together, subsequent realisation check was also performed and long outstanding balances have been reviewed.
4	**Property, Plant and Equipment** Management judgment is applied for determining the carrying value of property, plant and equipment, intangible assets and their respective depreciation/amortization rates. These include the decision to capitalize or	**Principal Audit Procedures** a) Testing of controls in place over the fixed assets cycle, b) Evaluation of appropriateness of capitalization process. Performed tests to verify the capitalized costs,

	expense costs; the annual asset life review; the timelines of the capitalization/decapitalization of assets and the measurement and recognition criteria for assets retired from active use. Please refer material accounting policy no 1.2.9.	c) Assessment of the timelines of the capitalization of the assets and assessed the derecognition criteria for assets retired from active use. d) The useful life of assets has been assessed made by the management. In performing these procedures, we reviewed the judgments made by management for the following: (i) Identification of the nature of underlying costs capitalized, (ii) Determination of realizable value of the assets retired from active use, (iii) Appropriateness of asset lives applied in the calculation of depreciation/ amortization, iv Useful lives of assets prescribed in Schedule II of the Companies Act, 2013.
5	**Implementation of SAP** Effective January 1, 2025, the Company undertook a significant system transition, moving from its previously used Oracle-based ERP to a new SAP ERP system. This transition has significant implications given the essential role of ERP systems in ensuring the completeness, accuracy, reliability, and integrity of financial data and reports. The period from January 1, 2025, to March 31, 2025, marked the initial implementation phase, during which all business transactions were exclusively processed through various SAP ERP modules implemented in phased manner. This transition required substantial data migration, inherent complexities involved in mapping financial data between two different systems. Considering the extensive and critical nature of this transition, along with the potential risks associated with data migration errors, system integration issues, and changes in internal control activities, we identified this as a key audit matter. Please Refer Note No. 63	**Principal Audit Procedures Performed:** a) Conducted a detailed review of the ERP implementation strategy and governance framework established by management, focusing on planning, execution timelines, project management, risk mitigation strategies, and oversight mechanisms. b. Evaluated the controls and processes implemented for data migration from Oracle ERP to SAP ERP, performing detailed reconciliations of opening balances, transaction records, and account balances as at January 1, 2025, to the closing balances recorded in Oracle ERP as at December 31, 2024, to ensure completeness and accuracy along with review of data migration audit report by the external expert. c. Assessed the adequacy and effectiveness of training provided to users responsible for operating the SAP ERP system, reviewed training attendance records, training materials, and user feedback documentation to ensure sufficient knowledge and understanding for accurate ERP usage.

		d. Evaluated the design and operating effectiveness of internal controls established within the SAP ERP environment, including those controls relating to authorization, transaction initiation, data processing, segregation of duties, and financial reporting. e. Conducted extensive substantive testing on transaction data recorded within the SAP ERP system during the initial quarter post-implementation, assessing for completeness, accuracy, validity, classification, and cutoff, by tracing transactions to supporting documentation. f) Reviewed and validated key financial data generated by the SAP ERP system during the period from January 1, 2025, to March 31, 2025, ensuring that the data presented was consistent, accurate, reliable, and adequately supported by underlying accounting records and transaction documentation.

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

The company's management and board of directors is responsible for the preparation of other information. The other information comprises the Management Discussion and Analysis, Director's Report including annexures to Director's Report, Business Responsibility Report, Corporate Governance, Performance at a Glance and Chairman's Statement included in the annual report of the company, 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 identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of audit, or otherwise appears to be materially misstated. On reading the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as per applicable laws and regulations. We have nothing to report in this regard.

Responsibilities of Management and those charged with Governance for the Consolidated Financial Statements

The company's board of directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the

consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the company and its jointly controlled entities in accordance with the accounting principles generally accepted in India, including the ("IND AS") prescribed under Section 133 of the Act read with relevant rules issued thereunder. Further the respective board of directors of the company and its jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the board of directors of the company, as aforesaid.

In preparing the consolidated financial statements, the respective board of directors of the company and its jointly controlled entities are responsible for assessing the 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 respective board of directors of the company and its jointly controlled entities are also responsible for overseeing the financial reporting process of the company and its jointly controlled entities.

Auditor's Responsibility 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 auditors' 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 financial controls 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 and board of directors.
- Conclude on the appropriateness of the management' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the company and its jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Statement 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 auditors' 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 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 statements of the company and its jointly controlled entities, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditor's. For the other entities included in the consolidated financial statements, which have been audited by the other auditor's, such other auditor's remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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 consolidated 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 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 include the company's share of net profit after tax of ₹ 107.72 crore and total comprehensive income of ₹ 107.67 crore for the year ended 31st March 2025, in respect of two jointly controlled entities i.e. Ramagundam Fertilizers & Chemicals Limited and Urvarak Videsh Limited, whose financial statements have not been audited by us. These financial statements have been audited by other auditor's whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these jointly controlled entities, is based solely on the reports of the other auditor's.

Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditor's.

Report on Other Legal and Regulatory Requirements

1. 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 and report of other auditors;

(c) The consolidated balance sheet, the consolidated statement of profit and loss, the consolidated

statement of cash flows and the consolidated statement of changes in equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid consolidated financial statements comply with the IND AS specified under Section 133 of the Act read with relevant rule issued thereunder;

(e) Notification number G.S.R. 463(E) dated 5 June 2015 issued by Ministry of Corporate Affairs, section 164(2) of the Act regarding the disqualifications of Directors is not applicable to the company, since it is a Government Company;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in **"Annexure A"**; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting

(g) Notification number G.S.R. 463 (E) dated 5 June 2015 issued by Ministry of Corporate Affairs, section 197 of the Act regarding remuneration to director is not applicable to the company, since it is a Government Company; and

(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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The company has disclosed the impact of pending litigations on its financial position in its consolidated financial statements – Refer Note No. 50 to the consolidated financial statements;

ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

iv. (a) The respective management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall,

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries")
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective management has represented, that, to the best of it's knowledge and belief, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

v. The final dividend paid by the Company during the year ended 31st March 2025 in respect of dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend. The Company has not declared and paid interim dividend

during the year ended 31st March 2025.

vi. As required maintenance of audit trail in accounting software under Rule 11(g) of Companies (Audit and Auditor's) Rules, 2014, we have to report as under;

1. (a) Based on our examination of parent company which included test checks, and as communicated by the respective auditor of joint venture entities, except for the instances mentioned in Para 1(b), 2, 3, and 4 below, the parent company has used Oracle System (Accounting Software for recording financial transactions) till 31st December 2024 and SAP ERP System w.e.f 1st January 2025 for maintaining its books of account and its one joint venture entity have used Oracle System (Accounting Software for recording financial transactions) for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

   Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

   (b) In case of one of its joint venture entity (Urvarak Videsh Limited), the auditor has reported that,

   "Based on our examination, which included test checks, the company has used accounting softwares for maintaining its books of account for the financial year ended March 31st, 2025 which does not have a feature of recording audit trail (edit log) facility and the same accounting software has operated throughout the year for all relevant transaction recorded. Hence, we are unable to make any comments on the audit trail feature being tempered with and whether audit trail has been preserved by the Company as per the statutory requirements for record retention."

2. The parent company was using different software/application for recording Payroll, sales transactions and for maintaining price store ledgers for stores and spares items till 31.12.2024. The data generated through these systems do not auto feed to the Oracle System and its summary is manually posted in Oracle System till 29th June 2024. Audit trail (edit logs) for any changes made at the application level in the aforesaid systems was not enabled till 29th June 2024 and w.e.f 30th June 2024 till 31st December, 2024 the audit trail features of the said systems was enabled and operated in the Oracle system. Subsequently, w.e.f. 1st January 2025, the Company has fully migrated these functions to SAP ERP, wherein audit trail (edit log) features have been incorporated and remain enabled for the period 1st January 2025 to 31st March 2025.

3. Beside this, parent company has maintained an audit trail feature at the database level throughout the year. However, for the period from 1st April 2024 to 31st December 2024, the said audit log doesn't have the feature what data was changed. Subsequent to the implementation of SAP ERP from 1st January 2025, the said feature has been enabled

4. In case of one of its joint venture entity (Ramagundam Fertilizers & Chemicals Limited), the auditor has reported that,

   "Based on our examination which included test checks, we report that:

   a) The Company is using Oracle (Accounting software for recording financial transactions) which is having feature of recording audit trail (edit log) facility and the same has operated

throughout the year for all relevant transactions recorded in the software. However, audit trail feature is not enabled for changes made at the database level for the accounting software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where audit trail was enabled. Additionally, the audit trail has been preserved by the company as per the Statutory requirements for record retention.

(b) The Company is using different software for recording payroll expenses, sales transactions and for maintaining price store ledgers for store and spares items. The data generated through these systems do not auto feed to the Oracle System and its summary is manually posted in Oracle System. In the absence of any information on existence of audit trail (edit logs) for any changes made at the application level or database level in the aforesaid systems, we are unable to comment on whether audit trail feature of the said systems was enabled and operated throughout the year.".

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by the respective auditor's of companies included in the consolidated financial statements, to which reporting under CARO is applicable, we report as under:

Qualification or adverse remarks by the respective auditor's in the CARO reports of the companies included in the consolidated financial statements are:

Name of the entity	Nature of Relationship	Clause number of the CARO report which is qualified or is adverse	Remarks
Ramagundam Fertilizers and Chemicals Limited (U24100DL 2015PLC 276753)	Joint Venture	ii)(b)	The quarterly returns or statements filed by the company are in agreement with the unaudited books of accounts except as disclosed in Note No. 49 of the financial statements of JV.
		(ix)(a)	The Company has not defaulted in repayment of loans or in the payment of interest thereon to any lender except for the cases disclosed in the report.
		(ix)(c)	The money raised by way of term loans have been applied, prima facie, for the purpose for which they were obtained except that ₹ 8730.75 lakhs still pending to be utilized, kept as fixed deposits and in current account with Bank, out of terms loans taken in earlier years.

For Dhawan & Co.
Chartered Accountants
Firm's Registration No.: 002864N

Deeksha Kapoor
Partner
M. No.: 460453
UDIN No. : 25460453BNUIFH9329

Place: Noida
Date: 30-05-2025

For R S P H & Associates
Chartered Accountants
Firm's Registration No.: 003013N

Tarun Kumar Batra
Partner
M. No.: 094318
UDIN No.:25094318BMNATN5022

ANNEXURE "A"

The Annexure referred to in Independent Auditor's Report to the members of the Company on the consolidated financial statement for the year ended 31st March 2025.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of National Fertilizers Limited ("the Company") and its jointly controlled entities as of 31st March 2025 in conjunction with our audit of the consolidated financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective board of directors of the company and its jointly controlled entities are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria 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 ('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 the company's business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 we have obtained and the audit evidence obtained by the other auditor's in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the company and its jointly controlled entities, as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable

assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Over Financial Reporting

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

Opinion

In our opinion, the company and its jointly controlled entities has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2025, based on the internal control over financial reporting criteria established by the company and its jointly controlled entities considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matters

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to two jointly controlled entities, which are companies incorporated in India, is based on the corresponding reports of the auditor's of such companies.

Our opinion is not modified in respect of this matter.

For Dhawan & Co.
Chartered Accountants
Firm's Registration No.: 002864N

Deeksha Kapoor
Partner
M. No.: 460453
UDIN No. : 25460453BNUIFH9329

For R S P H & Associates
Chartered Accountants
Firm's Registration No.: 003013N

Tarun Kumar Batra
Partner
M. No.: 094318
UDIN No.:25094318BMNATN5022

Place: Noida
Date: 30-05-2025

Consolidated Balance Sheet as at 31st March 2025

₹ in Crore

	Note No.	As at 31st March 2025	As at 31st March 2024 ^	As at 1st April 2023 ^
I. ASSETS				
(1) NON-CURRENT ASSETS				
a) Property, Plant and Equipment	2	3640.26	3826.56	3965.31
b) Right-of-Use Assets	3	5.04	2.12	0.99
c) Investment Property	4	0.85	0.89	0.97
d) Capital Work in Progress	5	171.53	207.50	147.22
e) Other Intangible Assets	6	47.67	1.35	1.41
f) Intangible assets under development	7	-	34.37	30.44
g) Investments	8	443.32	335.65	250.29
h) Financial Assets				
i) Loans	9	6.02	7.70	3.96
ii) Other Financial Assets	10	30.87	33.65	42.09
i) Other Non-Current Assets	11	22.72	93.42	77.49
		4368.28	**4543.21**	**4520.17**
(2) CURRENT ASSETS				
a) Inventories	12	910.53	1749.67	3069.81
b) Financial Assets				
i) Trade Receivables	13	3273.30	4037.09	4118.53
ii) Cash and Cash Equivalents	14	17.81	29.36	13.21
iii) Other Bank Balances	15	14.97	8.58	3.27
iv) Loans	16	10.23	8.42	2.87
v) Other Financial Assets	17	109.32	147.80	43.54
c) Current Tax Assets (Net)	18	-	12.93	43.93
d) Other Current Assets	19	605.13	642.59	691.86
		4941.29	**6636.44**	**7987.02**
(3) Non Current Assets held for Disposal	20	1.30	16.94	17.71
		9310.87	**11196.59**	**12524.90**
II. EQUITY AND LIABILITIES				
(1) EQUITY				
(a)Equity Share Capital	21	490.58	490.58	490.58
(b)Other Equity	22	2225.23	2054.68	2042.06
		2715.81	**2545.26**	**2532.64**
LIABILITIES				
(2) NON-CURRENT LIABILITIES				
a) Financial Liabilities				
i) Borrowings		-	-	534.71
ii) Lease Liabilities	23	3.43	1.42	0.54
iii) Other Financial Liabilities	24	18.53	21.97	23.75
b) Provisions	25	212.81	212.26	206.55
c) Deferred Government Grant	26	1362.80	1554.86	1739.18
d) Deferred Tax Liabilities (Net)	27	83.55	74.87	67.63
e) Other Non-Current Liabilities	28	5.07	6.36	6.49
		1686.19	**1871.74**	**2578.85**
(3) CURRENT LIABILITIES				
a) Financial Liabilities				
i) Borrowings	29	1995.77	4088.33	3456.97
ii) Lease Liabilities	30	1.85	0.98	0.77
iii) Trade Payables	31			
- Micro and Small Enterprises		29.30	12.77	7.07
- Other than Micro and Small Enterprises		1507.97	1335.62	1748.86
iv) Other Financial Liabilities	32	841.50	854.96	1731.94
b) Provisions	33	147.88	126.75	109.97
c) Deferred Government Grant	34	191.97	196.93	194.88
d) Current Tax Liabilities (Net)	35	18.01	-	-
e) Other Current Liabilities	36	174.62	163.25	162.95
		4908.87	**6779.59**	**7413.41**
		9310.87	**11196.59**	**12524.90**

^Restated figures refer note no. 64.

Material accounting policies 1

The accompanying notes forms an integral part of these financial statements

For and on behalf of the Board of Directors

(Ashok Jha)
Company Secretary
A-14100

(Hira Nand)
Director (Finance)
DIN No. 09476034

(Dr. U. Saravanan)
Chairman & Managing Director
DIN No. 07274628

As per our report of even date attached

For Dhawan & Co.
Chartered Accountants
Firm Regd. No. 002864N

(Deeksha Kapoor)
Partner
Membership No. 460453

For RSPH & Associates
Chartered Accountants
Firm Regd. No. 003013N

(Tarun Kumar Batra)
Partner
Membership No.094318

Place: Noida
Date: 30.05.2025

Consolidated Statement of Profit and Loss for the year ended 31.03.2025

₹ in Crore

	Note No.	Year Ended 31st March 2025	Year Ended 31st March 2024
Revenue			
Revenue from Operations	37	19794.50	23560.31
Other Income	38	95.02	110.31
Total Income (I)		**19889.52**	**23670.62**
Expenses			
Cost of Materials Consumed	39	7236.29	7648.99
Purchase of Stock- in- Trade	40	4260.57	6985.12
Changes in Inventories of Finished Goods, Work-in-Progress and Stock -in- Trade	41	862.61	1379.20
Employee Benefits Expense	42	610.00	635.50
Power and Fuel	43	4872.24	4732.54
Freight and Handling		935.25	1152.03
Repairs and Maintenance	44	118.70	113.65
Finance Cost	45	225.68	267.30
Depreciation and Amortization Expense	46	373.00	361.68
Other Expenses	47	291.10	306.09
Total Expenses (II)		**19785.44**	**23582.10**
Profit before share of profit / (loss) of joint venture as per equity method, exceptional item and tax (III) = (I) - (II)		104.08	88.52
Share of Profit / (loss) of Joint Venture as per Equity Method (IV)		107.72	85.31
Profit / (Loss) before exceptional item and tax (V) = (III) + (IV)		211.80	173.83
Exceptional Item (VI)		-	-
Profit/(Loss) before Tax (VII)=(V)-(VI)		**211.80**	**173.83**
Tax expenses	48		
Current tax		19.30	15.15
Deferred tax		8.73	7.24
Short / (Excess) tax for earlier years		(0.21)	1.39
Total Tax Expense (VIII)		**27.82**	**23.78**
Profit/(Loss) for the year (IX)=(VII)-(VIII)		**183.98**	**150.05**
Other Comprehensive Income			
Items that will not be reclassified to Profit & Loss			
Remeasurement of Defined Employee Benefit obligations		(0.18)	(0.82)
Income Tax relating to above items		0.05	0.21
Share of other comprehensive income in joint ventures, to the extent not to be reclassified to profit or loss		(0.05)	0.05
Other Comprehensive Income (net of tax) (X)		**(0.18)**	**(0.56)**
Total Comprehensive Income (XI) = (IX) + (X)		**183.80**	**149.49**
Earnings per share	49		
Basic earnings per share of ₹10 each		3.75	3.06
Diluted earnings per share of ₹10 each		3.75	3.06
Material accounting policies	1		
The accompanying notes forms an integral part of these financial statements			

For and on behalf of the Board of Directors

(Ashok Jha)
Company Secretary
A-14100

(Hira Nand)
Director (Finance)
DIN No. 09476034

(Dr. U. Saravanan)
Chairman & Managing Director
DIN No. 07274628

As per our report of even date attached

For Dhawan & Co.
Chartered Accountants
Firm Regd. No. 002864N

(Deeksha Kapoor)
Partner
Membership No. 460453

For RSPH & Associates
Chartered Accountants
Firm Regd. No. 003013N

(Tarun Kumar Batra)
Partner
Membership No.094318

Place: Noida
Date: 30.05.2025

Consolidated Statement of Cash Flows for the year ended 31st March 2025

₹ in Crore

		Year Ended 31st March 2025	Year Ended 31st March 2024
A. CASH FLOW FROM OPERATING ACTIVITIES:			
Net Profit/(Loss) Before Tax		**211.80**	**173.83**
Adjustments For :			
Depreciation / Amortization		373.00	361.68
Finance Charges		225.68	267.30
Amortisation of Deferred Govt Grant		(192.56)	(192.27)
Interest Income		(7.87)	(26.00)
Profit on Sale of Fixed Assets		(15.32)	(9.12)
Exchange Rate Variation (Net)		12.61	22.36
Provision for Doubtful Debts/ Advances		3.87	3.58
Provision for Obsolete/Surplus Stores		1.31	0.46
Provision for GST		(3.05)	4.44
Provisions no longer required written back		-	-
Stores and Spares write offs		4.06	3.18
Assets Written off		0.13	0.60
Advance Written off		-	-
Other Write off		0.06	0.06
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**613.72**	**610.10**
Adjustments For :			
Trade and Other Receivables		848.13	5.84
Inventories		833.71	1316.44
Trade Payables, Provisions & Others Liabilities		229.08	(1261.84)
Direct Taxes paid		65.38	(2.43)
NET CASH FROM OPERATING ACTIVITIES	**"A"**	**2590.02**	**668.11**
B. CASH FLOW FROM INVESTING ACTIVITIES			
Payment for purchase of PPE (including CWIP)		(204.03)	(292.47)
Investment in Joint Ventures		(107.72)	(85.31)
Proceeds from disposal of PPE		32.15	9.94
Interest Received		12.08	33.39
NET CASH FROM INVESTING ACTIVITIES	**"B"**	**(267.52)**	**(334.45)**
C. CASH FLOW FROM FINANCING ACTIVITIES			
Increase/ (Decrease) in Working Capital Borrowings & Short Term Loans		(2092.56)	735.76
Long Term Loan		-	(639.11)
Interest Paid		(226.13)	(276.43)
Dividend Paid		(13.25)	(136.87)
Payment of Lease Liabilities		(2.11)	(0.86)
NET CASH FROM FINANCING ACTIVITIES	**"C"**	**(2334.05)**	**(317.51)**
NET INCREASE IN CASH AND CASH EQUIVALENTS	**(A+B+C)**	**(11.55)**	**16.15**
Cash And Cash Equivalents (Closing Balance)		17.81	29.36
Cash And Cash Equivalents (Opening Balance)		29.36	13.21
NET INCREASE IN CASH AND CASH EQUIVALENTS		**(11.55)**	**16.15**
Reconciliation of Cash and Cash Equivalents with the Balance Sheet			
Components of Cash and Cash Equivalents (Note - 14)			
Balances with banks			
Current accounts		17.80	29.35
Others (Franking Machines)		0.01	0.01
	Total	**17.81**	**29.36**

i) Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or 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 financing activities of the Company are segregated.

ii) Cash and Cash Equivalent includes earmarked balance in Amalgamated Fund of ₹ 0.59 crore (CPLY ₹ 0.57 crore) and Unspent CSR A/c of ₹ 1.58 crore (CPLY ₹ 1.54 crore).

For and on behalf of the Board of Directors

(Ashok Jha)
Company Secretary
A-14100

(Hira Nand)
Director (Finance)
DIN No. 09476034

(Dr. U. Saravanan)
Chairman & Managing Director
DIN No. 07274628

As per our report of even date attached

For Dhawan & Co.
Chartered Accountants
Firm Regd. No. 002864N

(Deeksha Kapoor)
Partner
Membership No. 460453

For RSPH & Associates
Chartered Accountants
Firm Regd. No. 003013N

(Tarun Kumar Batra)
Partner
Membership No.094318

Place: Noida
Date: 30.05.2025

Consolidated Statement of Changes in Equity for the year ended 31.03.2025

A. Equity Share Capital

₹ in Crore

	Notes	Amount
As at 1st April 2023	21	490.58
Changes in Equity Share Capital due to prior period errors		-
Restated balance at the beginning of the current reporting period		-
Change in Equity Share Capital during the year		-
As at 31st March 2024		**490.58**
As at 1st April 2024	21	490.58
Changes in Equity Share Capital due to prior period errors		-
Restated balance at the beginning of the current reporting period		-
Change in Equity Share Capital during the year		-
As at 31st March 2025		**490.58**

B. Other Equity

₹ in Crore

Particulars	Reserve & Surplus			
	Capital Reserve	General Reserve	Retained Earning	Total
Opening balance as at 1st April 2023	2.51	331.84	1,707.71	2,042.06
Add: Profit for the year	-	-	150.05	150.05
Add: Comprehensive income for the year	-	-	(0.56)	(0.56)
Total Comprehensive Income for the year	-	-	**149.49**	**149.49**
Dividend Paid	-	-	(136.87)	(136.87)
Transfer to/(from) retained earnings	-	-	-	-
Closing balance as at 31st March 2024	**2.51**	**331.84**	**1,720.33**	**2,054.68**
Opening balance as at 1st April 2024	2.51	331.84	1,720.33	2,054.68
Profit for the year	-	-	183.98	183.98
Comprehensive income for the year	-	-	(0.18)	(0.18)
Total Comprehensive Income for the year	-	-	**183.80**	**183.80**
Dividend Paid	-	-	(13.25)	(13.25)
Transfer to/(from) retained earnings	-	-	-	-
Closing Balance as at 31st March 2025	**2.51**	**331.84**	**1,890.88**	**2,225.23**

For and on behalf of the Board of Directors

(Ashok Jha)
Company Secretary
A-14100

(Hira Nand)
Director (Finance)
DIN No. 09476034

(Dr. U. Saravanan)
Chairman & Managing Director
DIN No. 07274628

As per our report of even date attached

For Dhawan & Co.
Chartered Accountants
Firm Regd. No. 002864N

(Deeksha Kapoor)
Partner
Membership No. 460453

For RSPH & Associates
Chartered Accountants
Firm Regd. No. 003013N

(Tarun Kumar Batra)
Partner
Membership No.094318

Place: Noida
Date: 30.05.2025

Notes to the Consolidated Financial Statements and Material Accounting Policies Information

1. Company Overview and Material Accounting Policies Information

1.1 Overview

National Fertilizers Limited (the 'company') is a company limited by shares, incorporated and domiciled in India. These are consolidated financial statements of National Fertilizers Limited and its Joint Ventures referred below for the year ended 31st March 2025.

a) Urvarak Videsh Limited, a joint venture with Krishak Bharti Co-operative Limited and Rashtriya Chemicals & Fertilizers Limited has been setup for fertilizer business and rendering consultancy services in this regard. Urvarak Videsh Limited has been declared Dormant company.

b) Ramagundam Fertilizers & Chemicals Limited, a joint venture with Engineers India Limited (EIL) and Fertilizer Corporation (FCIL) of India has been incorporated on 17.02.2015 for revival of closed Fertilizer Unit of (FCIL) at Ramagundam, Telengana, India.

The company is engaged in producing and marketing of Neem Coated Urea, Bio-Fertilizers (solid & liquid) and other allied Industrial products like Ammonia, Nitric Acid, Ammonium Nitrate, Sodium Nitrite and Sodium Nitrate. The company is also engaged in trading of fertilizers, compost, seeds, agro chemicals and other agro products. The registered office of the company is located at New Delhi, India. The Government of India is the principal shareholder of the company. The shares of the company are listed on National Stock Exchange ("NSE") and the Bombay Stock Exchange ("BSE"), India.

The consolidated financial statements were approved for issue by the Board of Directors and authorized for issue on 30.05.2025.

1.2 Material Accounting Policies

This note provides a list of the Material accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.2.1 Basis of preparation

(a) Compliance with Ind AS

The consolidated financial statements prepared on accrual basis, as a going concern, comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015](as amended)and other relevant provisions of the Act.

The consolidated financial statements up to year ended 31 March 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

(b) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) and contingent consideration that is measured at fair value;

- assets held for sale -measured at the lower of carrying amount and fair value less cost to sell; and
- defined benefit plans — plan assets measured at fair value

1.2.2 Basis of consolidation

Joint Venture

In the consolidated Balance Sheet Interests in the joint venture are accounted for using the equity method. Under the equity method of accounting, the investment are initially being recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit or loss, and the group's share of movements in other comprehensive income of the investee in other comprehensive income.

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.

Unrealised gains on transactions between the group and its joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described below.

These consolidated financial statements comprise the financial statement of National Fertilizers Limited (the company") and its joint ventures (JV) (the "Group"), as given in the following table:

Name of Joint Venture	Country of incorporation	Extent of Holding (%age)	
		31 March 2025	31 March 2024
Urvarak Videsh Limited	India	33.33%	33.33%
Ramagundam Fertilizers & Chemicals Limited	India	26.00%	26.00%

1.2.3 Use of estimates

The preparation of consolidated financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates and judgments affect the application of accounting policies and the reported amount of assets and liabilities, the disclosure of contingent assets and contingent liabilities at the date of financial statements and the reported amount of revenue and expenses during the period. Application of accounting policies that require critical accounting estimates involving judgments have been disclosed in note (1.2.4).

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of change in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in the notes to the consolidated financial statements.

1.2.4 Critical Accounting Estimates and judgments

(a) Property Plant and Equipment:

Property, plant and equipment represent a significant proportion of the asset base of the company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(b) Revenue Recognition

Price and Freight Subsidy is measured based on principle/ notifications received from Fertilizer Industry Coordination Committee (FICC), an office of the Government of India which regulates such subsidy and the bills are raised based on such notifications. Escalation/De-escalation in notified rates is estimated taking into account the effect of guidelines, policies, instructions and clarifications given by the Government. The difference, if any, based on final notification received, is treated as current year income or expenditure and the effect of change in estimate, if material, is disclosed separately.

The recognition of subsidy on Nitrogenous (urea) Fertilizers manufactured by the company is governed by New Urea Policy (NUP)-2015, notified by the Department of Fertilizers, Ministry of Chemicals and Fertilizers and its amendments from time to time.

Subsidy on other traded Phosphatic and Potassic (P&K) Fertilizers are governed by Nutrient Based Subsidy (NBS) policy 2010, notified by the Department of Fertilizers, Ministry of Chemicals and Fertilizers and its amendments from time to time.

1.2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Refer note 53 for segment information presented.

1.2.6 Foreign currency translation

(a) Functional and presentation currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates (`the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is the company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in Statement of Profit and Loss except in case of long term liability relating to acquisition of fixed assets acquired upto March 31, 2016, where the same are adjusted to carrying amount of such assets.

Foreign exchange gains and losses regarded as an adjustment to borrowing costs are charged 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 on a net basis within other gains/ (losses).

1.2.7 Revenue recognition

Revenue is recognized net of returns, trade allowances, rebates etc. when performance obligation is satisfied by transferring control of goods or services (i.e. an asset) to a customer and it is probable to collect the consideration.

Sale of scrap/ waste materials & Salvage is recognized on disposal.

1.2.8 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions.

Government grants relating to the purchase / acquisition of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

1.2.9 Income tax

Income tax comprises current and deferred income tax. Income 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 which case it is recognised in other comprehensive income or directly in equity, respectively. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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 not recognised for temporary differences between the carrying amount and tax bases of investments in Joint Ventures where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

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.

1.2.10 Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost less depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items.

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.

The carrying amount of any component accounted for as a separate asset, is derecognized where the carrying value of an asset to be replaced is not separately identifiable. It is derecognized on the basis of estimated/technical report. All other repairs and maintenance are charged to profit or loss account during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives which are aligned to useful life specified under Schedule II of the Companies Act, 2013 except for certain items of plant and machinery which are depreciated as below:

a) Reformer Package and Instrumentation: 15 years

b) Heat Exchangers, compressor, pumps, turbines and CO2 Booster: 20 years

In respect of plant and machinery, computer and data processing units, residual value of five percent and rupee one in respect of asset acquired out of Govt Grant / retailer margin, capital spares and other Property Plant & Equipment is retained.

Leasehold land and buildings are amortized over the lease period. Buildings constructed over leasehold land are depreciated at the estimated useful life which is in line with useful life as specified under Schedule II of the Companies Act, 2013, where the lease period is beyond the useful life of the building.

Depreciation on Property Plant & Equipment whose actual cost does not exceed five thousand rupees, are provided at the rate of 100% and residual value of Rupee one is retained.

Spares that can be used only in connection with an item of fixed asset are depreciated over a period not exceeding the useful life of the principal item.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Catalysts are capitalized and amortized based on estimated useful life as technically assessed.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other Income.

1.2.11 Investment Property

Investment Properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost including transaction cost. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment loss.

1.2.12 Intangible Assets

Intangible Assets are stated at cost less accumulated amortization and impairment.

License and process know-how having future economic benefits is amortized on straight line method over a period of ten years or license period, whichever is less.

Software, which is not integral part of related hardware, is treated as intangible asset and amortized on straight line method over a period of five years or its license period, whichever is less.

Intangible assets' useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

1.2.13 Capital Work in Progress

All revenue expenses incurred during construction period, which are exclusively attributable to acquisition/construction of fixed assets, are capitalised at the time of commissioning of assets.

Pre-project expenditure relating to projects which are considered unviable/closed is charged off to Revenue in the year of declaration/closure.

The capital work in progress includes construction stores including material in transit/equipment/services etc. received at site for use in the projects.

1.2.14 Leases

The Company as a lessee:

The company's lease asset classes primarily consist of leases for land, vehicle and office premises. 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.

At the date of commencement of the lease, the company recognises 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 recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised 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 and estimated restoration costs of the underlying asset where applicable. 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.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate of the company. Lease liabilities are remeasured to reflect any re-assessment, lease modification, or revised in-substance fixed lease payments, with a corresponding adjustment to the related right of use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to statement of profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease liabilities and ROU assets have been separately presented in the balance sheet and lease payments have been classified as financing cash flows.

The Company as a Lessor

Leases, for which the company is a lessor are classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right of use assets arising from the head lease.

For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature. The company need not to make any adjustment to the accounting for assets held as lessor as a result of adopting the new leasing standard.

1.2.15 Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.2.16 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks/ financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

1.2.17 Trade receivables

Trade receivables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

1.2.18 Inventories - Raw materials and stores, work in progress, packaging material and finished goods

Raw materials, packaging materials and stores and spares are stated at the lower of monthly weighted average cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of first-in first-out basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. MIT & MUI are valued at cost.

In case of stores and spares not moved for more than two years and upto five years, provision for obsolescence is made at five percent per annum (on straight line basis) and charged to revenue. In case of stores and spares which have not moved for more than five years/identified as surplus or obsolete, value is taken as certified by valuers and diminution, if any is charged to revenue.

Finished and semi-finished goods are valued at lower of weighted average cost and net realizable value based on the applicable concession/sale Price. In warehouses carrying Finished Goods of more than one Plant, the Plant wise finished stocks are determined on first-in-first-out basis and costs worked out accordingly.

Traded Fertilizers are valued at lower of cost determined on first-in-first-out basis and net realizable value.

Other Traded Goods are valued at lower of weighted average cost and net realizable value.

1.2.19 Investments and other financial assets

(a) Classification

The company classifies its financial assets 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 measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses arising from fair valuation 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.

(b) Measurement

Initial recognition

The company measures a financial asset at its fair value and, in the case of a financial asset not at fair value through profit or loss, at fair value including transaction costs that are directly attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement

Subsequent measurement of financial assets 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 financial assets:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.

Fair value through other comprehensive income (FVOCI): 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 (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss.

Investment in Joint Venture:

Investment in Joint venture is carried at cost in the financial statements.

(c) Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 60 details how the company determines whether there has been a significant increase in credit risk.

For trade receivables only, the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(d) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount of the dividend can be measured reliably.

(e) Derivatives

Derivatives are initially recognised at fair value and are subsequently re-measured to their fair value through profit or loss at the end of each reporting period.

1.2.20 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where 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 counterparty.

1.2.21 Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

1.2.22 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

1.2.23 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the statement of Profit and Loss Account in the period in which they are incurred.

1.2.24 Employee benefits

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the financial reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) Other long-term employee benefit obligations

The company provides following long term benefits:

i) Leave Encashment (Earned Leave/Sick Leave/Half Pay Leave)

ii) Long Service Award (LSA)

The liability for Leave encashment and Long term service awards are measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the financial reporting period using the projected unit credit method as calculated by Actuary. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation.

Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

(c) Post-employment obligations

The company operates the following post-employment schemes:

(i) defined benefit plans such as gratuity, provident fund, post retirement settlement benefits, social security benefits and employees' family economic rehabilitation scheme; and

(ii) defined contribution plans such as post-employment medical plan and pension plan.

(d) Defined Benefit Obligations

The defined benefit obligation (other than Provident Fund) is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The liability or asset recognised in the balance sheet in respect of defined benefit obligations (except Provident Fund) is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, if any.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized directly in other comprehensive income.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(e) Provident Fund

Contribution to provident fund is accounted for on accrual basis. The provident fund contributions are made by employee and company as monthly contribution equal to specified percentage of covered employee's salary to a trust administered by the company. The trust invests in specific designated instruments as permitted by Indian Law. The interest rate payable to the members of the trust is notified by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952. The company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

(f) Defined Contribution Plans

The company has a Post-Retirement Medical Benefits (PRMB) and pension plan for its employees. The company has taken the insurance policies to meet its obligations under these plans. Accordingly, the liability of the company is limited upto the amount of insurance premium paid. These plans have been treated as defined contribution plans. The insurance premium paid for these plans is recognised as employee benefit expense and charged in statement of profit and loss account.

1.2.25 Provisions

Provisions (other than employee benefits) are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

1.2.26 Claims

Pending settlement, claims made on underwriters /railways /others as assessed by the company are recognized on the basis of certainty of ultimate collection.

1.2.27 Adjustment pertaining to Prior Period

Income/Expenditure pertaining to prior period upto Rs 10.00 crores in each case subject to cumulative limit of 0.50% of sales turnover of previous year are not considered material and are included under the income/expenditure of the current year.

1.2.28 Non- Current Asset Held for Sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

1.2.29 Prepaid Expenditure

Prepaid expenditure upto Rupee one lakh in each case not being considered material is included under the expenditure of the current year.

1.2.30 Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's board of directors.

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note: 2 Property, Plant and Equipment

₹ in Crore

Description	Gross Carrying Amount as on 1st April 2024	Additions	Deductions/ Adjustments	Gross Carrying Amount as on 31st March 2025	Depreciation				Net carrying Amount	
					Accumulated Depreciation as on 1st April 2024	For the year	Deductions/ Adjustments	Accumulated Depreciation upto 31st March 2025	As at 31st March 2025	As at 31st March 2024
LAND										
- Freehold	12.19	-	-	12.19	-	-	-	-	12.19	12.19
- Leasehold	6.35	-	-	6.35	0.90	0.10	-	1.00	5.35	5.45
BUILDINGS										
- on Freehold Land	171.21	9.19	3.49	176.91	48.89	6.63	0.08	55.44	121.47	122.32
- on Leasehold Land	35.68	0.62	(3.31)	39.61	22.13	1.39	(0.13)	23.65	15.96	13.55
Leasehold Buildings	0.92	-	-	0.92	0.38	0.02	0.05	0.35	0.57	0.54
Plant and Machinery	6222.13	161.33	1.28	6382.18	2604.88	344.34	0.46	2948.76	3433.42	3617.25
Furniture and Fixtures	7.38	0.63	0.09	7.92	3.28	0.64	0.05	3.87	4.05	4.10
Vehicles	9.75	0.84	0.05	10.54	4.90	0.95	0.05	5.80	4.74	4.85
Office Equipments	12.48	1.53	0.12	13.89	7.93	1.62	0.08	9.47	4.42	4.55
OTHERS										
Electrical Installations	26.35	1.88	-	28.23	19.62	1.29	-	20.91	7.32	6.73
Railway Sidings	8.81	0.72	-	9.53	1.84	0.90	-	2.74	6.79	6.97
EDP Equipments	71.39	3.60	0.36	74.63	56.09	7.47	0.27	63.29	11.34	15.30
Other Equipments	41.66	3.11	0.14	44.63	28.90	3.23	0.14	31.99	12.64	12.76
Bearer Plants	-	-	-	-	-	-	-	-	-	-
As at 31st March, 2025	**6626.30**	**183.45**	**2.22**	**6807.53**	**2799.74**	**368.58**	**1.05**	**3167.27**	**3640.26**	**3826.56**

₹ in Crore

Description	Gross Carrying Amount as on 1st April 2023	Additions	Deductions/ Adjustments	Gross Carrying Amount as on 31st March 2024	Depreciation				Net carrying Amount	
					Accumulated Depreciation as on 1st April 2023	For the year	Deductions/ Adjustments	Accumulated Depreciation upto 31st March 2024	As at 31st March 2024	As at 31st March 2023
LAND										
- Freehold	12.19	-	-	12.19	-	-	-	-	12.19	12.19
- Leasehold	6.35	-	-	6.35	0.80	0.10	-	0.90	5.45	5.55
BUILDINGS										
- on Freehold Land	160.29	6.42	(4.50)	171.21	42.78	6.11	-	48.89	122.32	117.51
- on Leasehold Land	35.50	0.18	-	35.68	20.98	1.15	-	22.13	13.55	14.52
Leasehold Buildings	5.53	-	4.61	0.92	0.33	0.05	-	0.38	0.54	5.20
Plant and Machinery	6030.61	192.41	0.89	6,222.13	2266.75	338.62	0.49	2,604.88	3617.25	3763.86
Furniture and Fixtures	5.62	1.78	0.02	7.38	2.76	0.54	0.02	3.28	4.10	2.86
Vehicles	9.34	0.41	-	9.75	4.03	0.87	-	4.90	4.85	5.31
Office Equipments	10.46	2.11	0.09	12.48	6.42	1.56	0.05	7.93	4.55	4.04
OTHERS										
Electrical Installations	24.24	2.11	-	26.35	18.43	1.19	-	19.62	6.73	5.81
Railway Sidings	7.42	1.39	-	8.81	1.33	0.51	-	1.84	6.97	6.09
EDP Equipments	59.67	12.11	0.39	71.39	50.03	6.34	0.28	56.09	15.30	9.64
Other Equipments	38.48	3.27	0.09	41.66	25.75	3.24	0.09	28.90	12.76	12.73
Bearer Plants	-	-	-	-	-	-	-	-	-	-
As at 31st March, 2024	**6405.70**	**222.19**	**1.59**	**6626.30**	**2440.39**	**360.28**	**0.93**	**2799.74**	**3826.56**	**3965.31**

Footnote:

a. Out of total land of 2541.82 acres, land measuring 325.70 acres at Nangal (₹ 0.12 crore) had been symbolically possessed by the Punjab Government on 29.10.1998 without determination of consideration. Though the title of entire land including 325.70 acre vests with the Company in the records, the physical possession of 325.70 acres of land is not with the Company. Further, there is a litigation in respect of land measuring 1.7 acres approx. before Punjab & Haryana High Court, Chandigarh. The Regular Second Appeal (RSA) preferred by appellant is pending wherein Hon'ble High Court has ordered status-quo in the matter.

b. Ammonia Feed Stock Conversion Projects from `LSHS/FO' to `Gas' at Bathinda, Panipat & Nangal Unit under Government's policy for reimbursement of project cost to the Company over a period of five years from the date of commercial production have been capitalised on 11th March.2013, 28th March 2013 and 18th July 2013 respectively. Accordingly, Property, Plant & Equipment (Gross) include assets amounting to ₹3890.12 crore (CPLY ₹3890.12 crore) represented by capital grant as disclosed in Note: 26 & 34 relating to Deferred Government Grant and the net Property, Plant & Equipment of Ammonia Feed Stock Conversion Projects amount to ₹1560.13 crore (CPLY ₹1736.55 crore) as on 31.03.2025.

c. In terms of exemption granted under Ind AS 101, the company has opted to treat exchange difference arising from translation of long term foreign currency monetary items as addition/deletion to Property, Plant & Equipment. Accordingly, an exchange loss/(gain) of ₹ Nil crore (CPLY gain of ₹ Nil crore) has been included in the addition to Property, Plant & Equipment as on 31st March, 2025. The unamortized amount of exchange difference as on 31.03.2025 is ₹48.71 crore (CPLY ₹ 52.41 crore).

d. The Gross Carrying Amount and the Net Carrying Amount of Bearer Plant is ₹1404/-. Hence, Nil due to rounding off.

e. Title deeds of following Immovable Properties are not held in the name of the Company:

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property Plant & Equipment	Lease hold Land - Vijaipur	*	Govt of Madhya Pradesh	No	12.07.1984	Lease Deed is under execution.
Property Plant & Equipment	Free Hold Land - Bathinda	₹ 0.15 crore	Govt of Punjab	No	11.02.1988 10.03.1988 20.01.1988 21.01.1988 23.05.1984	Out of 685.301 Acres of land, 14.261 Acres of land for construction of Fertilizers Minor was acquired at the cost of NFL but there is no provision in the Government rules to transfer the ownership of Government Property.
Property Plant & Equipment	Free hold land at Alwar	**	Urban Improvement Trust, Alwar	No	05.04.1986	The land has not yet been registered in the name of NFL due to on going litigation between Urban Improvement Trust, Alwar and the concerned farmer.

* The deemed cost of Leasehold Land at Vijaipur Unit as on 01.04.2015 (Transition to Ind AS) was Nil.
** The value of Land at Alwar is ₹ 1, hence figure not given.

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note: 3 Right-of-Use Assets

₹ in Crore

Description	Gross Carrying Amount as on 1st April 2024	Additions	Deductions/ Adjustments	Gross Carrying Amount as on 31st March 2025	Depreciation				Net carrying Amount	
					Accumulated Depreciation as on 1st April 2024	For the year	Deductions/ Adjustments	Accumulated Depreciation upto 31st March 2025	As at 31st March 2025	As at 31st March 2024
Vehicles	1.78	4.11	0.36	5.53	0.41	1.43	0.35	1.49	4.04	1.37
Office	1.45	0.83	0.31	1.97	0.70	0.49	0.22	0.97	1.00	0.75
As at 31st March, 2025	**3.23**	**4.94**	**0.67**	**7.50**	**1.11**	**1.92**	**0.57**	**2.46**	**5.04**	**2.12**

₹ in Crore

Description	Gross Carrying Amount as on 1st April 2023	Additions	Deductions/ Adjustments	Gross Carrying Amount as on 31st March 2024	Depreciation				Net carrying Amount	
					Accumulated Depreciation as on 1st April 2023	For the year	Deductions/ Adjustments	Accumulated Depreciation upto 31st March 2024	As at 31st March 2024	As at 31st March 2023
Vehicles	5.65	1.34	5.21	1.78	5.27	0.25	5.11	0.41	1.37	0.38
Office	3.06	0.65	2.26	1.45	2.45	0.58	2.33	0.70	0.75	0.61
As at 31st March, 2024	**8.71**	**1.99**	**7.47**	**3.23**	**7.72**	**0.83**	**7.44**	**1.11**	**2.12**	**0.99**

Amount recognised in Statement of Profit and Loss Account

₹ in Crore

Particulars	FY 2024-25	FY 2023-24
Depreciation charged for the Right of Use Asset	1.92	0.83
Interest Expense	0.50	0.09

The Total Cash Outflow for leases for the year ended March 31, 2025 was ₹ 2.46 crore (CPLY ₹ 0.96 crore).

The following is the movement in lease liabilities during the year ended March 31, 2025:

₹ in Crore

Particulars	FY 2024-25	FY 2023-24
Opening Balance	2.40	1.31
Additions during the period	4.94	1.99
Adjustment during the period	(0.10)	(0.03)
Finance Cost accrued during the period	0.50	0.09
Less : Payment of Lease Liabilities	2.46	0.96
Closing Balance	**5.28**	**2.40**
Lease Liabilities - Current (Note 30)	1.85	0.98
Lease Liabilities - Non Current (Note 23)	3.43	1.42

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note: 4 Investment Property

₹ in Crore

Description	Gross Carrying Amount as on 1st April 2024	Additions	Deductions/ Adjustments	Gross Carrying Amount as on 31st March 2025	Depreciation				Net carrying Amount	
					Accumulated Depreciation as on 1st April 2024	For the year	Deductions/ Adjustments	Accumulated Depreciation upto 31st March 2025	As at 31st March 2025	As at 31st March 2024
Building										
Scope Building – New Delhi	1.18	-	-	1.18	0.34	0.04	-	0.38	0.80	0.84
Paryavas Bhawan – Bhopal	0.30	-	-	0.30	0.30	-	-	0.30	-	-
Bajaj Bhawan - Mumbai	0.05	-	-	0.05	-	-	-	-	0.05	0.05
As at 31st March, 2025	**1.53**	-	-	**1.53**	**0.64**	**0.04**	-	**0.68**	**0.85**	**0.89**

₹ in Crore

Description	Gross Carrying Amount as on 1st April 2023	Additions	Deductions/ Adjustments	Gross Carrying Amount as on 31st March 2024	Depreciation				Net carrying Amount	
					Accumulated Depreciation as on 1st April 2023	For the year	Deductions/ Adjustments	Accumulated Depreciation upto 31st March 2024	As at 31st March 2024	As at 31st March 2023
Scope Building – New Delhi	1.18	-	-	1.18	0.30	0.04	-	0.34	0.84	0.88
Paryavas Bhawan – Bhopal	0.30	-	-	0.30	0.26	0.04	-	0.30	-	0.04
Bajaj Bhawan - Mumbai	0.05	-	-	0.05	-	-	-	-	0.05	0.05
As at 31st March, 2024	**1.53**	-	-	**1.53**	**0.56**	**0.08**	-	**0.64**	**0.89**	**0.97**

(I) Title/Lease Deed for Building at Scope Complex, New Delhi is pending for execution.

ii) The above assets have been determined as Investment Properties with effect from 01.04.2019.

iii) The Fair Value of Investment Property as on 31.03.2024 is ₹ 99.64 crore & as per management estimate there is no material change in market value as on 31.03.2025.

iv) Information regarding income and expenditure of Investment Property

₹ in Crore

Particulars	As at 31st March 2025	As at 31st March 2024
Rental Income derived from investment properties.	**11.80**	**14.43**
Less : Direct operating expenses (including repairs and maintenance) generating rental income	0.36	0.63
Less : Direct operating expenses (including repairs and maintenance) that did not generate rental income	0.01	0.01
Profit arising from investment properties before depreciation and indirect expense	**11.43**	**13.79**
Less: Depreciation	0.04	0.07
Profit arising from investment properties before indirect expense	**11.39**	**13.72**

(v) Title deeds of following Investment Property is not held in the name of the Company

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in crore)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Investment Property	3190.46 Sq Mtrs in Core - III, SCOPE Complex, Lodhi Road, New Delhi	1.18	SCOPE	No	19.10.1979	The company is a deemed owner of the property.

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note : 5 Capital Work-In-Progress

₹ in Crore

Particulars	As at 31st March 2025	As at 31st March 2024
Building	3.11	7.33
Plant and Machinery	28.37	54.23
Capital Stores	139.75	143.91
Others	0.12	-
Expenditure During Construction Period	0.18	2.03
	171.53	**207.50**

A) CWIP ageing schedule as at 31.03.2025

₹ in Crore

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	46.06	42.08	75.94	7.45	171.53
Projects temporarily suspended	-	-	-	-	-
Total	**46.06**	**42.08**	**75.94**	**7.45**	**171.53**

b) The following is the list of project under capital-work-in progress as on 31.03.2025, whose completion is overdue or has exceeded its cost compared to its original plan:

₹ in Crore

Particulars	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Agro Chemical Plant	0.21	-	-	-

c) CWIP ageing schedule as at 31.03.2024

₹ in Crore

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	103.02	89.94	12.78	1.76	207.50
Projects temporarily suspended	-	-	-	-	-
Total	**103.02**	**89.94**	**12.78**	**1.76**	**207.50**

d) The following is the list of project under capital-work-in progress as on 31.03.2024, whose completion is overdue or has exceeded its cost compared to its original plan:

₹ in Crore

Particulars	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Agro Chemical Plant	1.59	-	-	-

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note: 6 Other Intangible Assets

₹ in Crore

Description	Gross Block				Amortization				Net Block	
	Gross Carrying Amount as on 1st April 2024	Additions	Deductions/ Adjustments	Gross Carrying Amount as on 31st March 2025	Accumulated Depreciation as on 1st April 2024	For the year	Deductions/ Adjustments	Accumulated Depreciation upto 31st March 2025	As at 31st March 2025	As at 31st March 2024
Computer Software	3.56	30.86	-	34.42	2.24	2.01	-	4.25	30.17	1.32
Licence and Know-how	26.23	17.92	-	44.15	26.20	0.45	-	26.65	17.50	0.03
As at 31st March, 2025	**29.79**	**48.78**	-	**78.57**	**28.44**	**2.46**	-	**30.90**	**47.67**	**1.35**

₹ in Crore

Description	Gross Block				Amortization				Net Block	
	Gross Carrying Amount as on 1st April 2023	Additions	Deductions/ Adjustments	Gross Carrying Amount as on 31st March 2024	Accumulated Depreciation as on 1st April 2023	For the year	Deductions/ Adjustments	Accumulated Depreciation upto 31st March 2024	As at 31st March 2024	As at 31st March 2023
Computer Software	3.13	0.43	-	3.56	1.76	0.48	-	2.24	1.32	1.37
Licence and Know-how	26.23	-	-	26.23	26.19	0.01	-	26.20	0.03	0.04
As at 31st March, 2024	**29.36**	**0.43**	-	**29.79**	**27.95**	**0.49**	-	**28.44**	**1.35**	**1.41**

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note: 7 Intangible assets under development

₹ in Crore

DESCRIPTION	Gross Block				
	Gross Carrying Amount as on 1st April 2024	Additions	Deductions/ Adjustments	Capitalisation	Gross Carrying Amount as on 31st March 2025
ERP	34.37	13.93	-	(48.30)	-
As at 31st March, 2025	**34.37**	**13.93**	-	**(48.30)**	-

₹ in Crore

DESCRIPTION	Gross Block				
	Gross Carrying Amount as on 1st April 2023	Additions	Deductions/ Adjustments	Capitalisation	Gross Carrying Amount as on 31st March 2024
ERP	30.44	3.93	-	-	34.37
As at 31st March, 2024	**30.44**	**3.93**	-	-	**34.37**

a) Intangible assets under development aging schedule as on 31.03.2025

₹ in Crore

Intangible assets under development	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress - ERP	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

b) The following is the list of Intangible Assets under Development as on 31.03.2025, whose completion is overdue or has exceeded its cost compared to its original plan:

₹ in Crore

Intangible assets under development	Name of Scheme	To be completed in			
		Less than 1 year	1-2 years	2-3 years	More than 3 years
		-	-	-	-

a) Intangible assets under development aging schedule as on 31.03.2024

₹ in Crore

Intangible assets under development	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress - ERP	3.93	4.14	4.26	22.04	34.37
Projects temporarily suspended	-	-	-	-	-
Total	**3.93**	**4.14**	**4.26**	**22.04**	**34.37**

b) The following is the list of Intangible Assets under Development as on 31.03.2024, whose completion is overdue or has exceeded its cost compared to its original plan:

₹ in Crore

Intangible assets under development	Name of Scheme	To be completed in			
		Less than 1 year	1-2 years	2-3 years	More than 3 years
ERP	Implementation of ERP	11.74	-	-	-

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note: 8 Investments

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Investment in Equity instruments of Bodies Corporates (Unquoted)#		
Joint Venture Companies		
1,80,002 Equity Shares (CPLY 1,80,002 Equity Shares) with face value of ₹10 each fully paid up in Urvarak Videsh Limited**	0.02	0.02
Accumulated Losses in Joint Venture	(0.01)	(0.01)
Share of Loss in Joint Venture	-	-
(A)	**0.01**	**0.01**
49,14,62,400 Equity Shares (CPLY 49,14,62,400 Equity Shares) with face value of ₹10 each fully paid up in Ramagundam Fertilizers & Chemicals Limited (RFCL)$	491.46	491.46
Accumulated Losses in Joint Venture	(155.82)	(241.18)
Share of Profit / (Loss) in Joint Venture	107.67	85.36
(B)	**443.31**	**335.64**
Total (A + B)	**443.32**	**335.65**
Investment in Equity Instruments of Co-operative Societies (Unquoted)*		
1250 Equity Shares (CPLY 1250 Equity Shares) with face value of ₹10 each fully paid up (₹12500) in NFL Employees' Consumer co-operative stores	*	*
100 Equity Shares (CPLY 100 Equity Shares) with face value of ₹ 50 each fully paid up (₹5000) in NFL Employees' Consumer co-operative stores	*	*
Investment in mutual fund (₹5000)	*	*
	443.32	**335.65**

* Being less than ₹50,000/-, figures not given.

In compliance with Accounting standard (Ind AS) 28 - Investment in Associates & Joint Venture. The Reporting information is as under :

Joint controlled entity

Name of the Company	Country	Percentage of ownership interest as on	
		31st March 2025	31st March 2024
Urvarak Videsh Limited	India	33.33	33.33
Ramagundam Fertilizers & Chemicals Limited	India	26.00	26.00

** Urvarak Videsh Limited, a joint venture with Krishak Bharti Co-operative Limited and Rashtriya Chemicals & Fertilizers Limited has been setup on 18.07.2008 for fertilizer business and rendering consultancy services in this regard. Urvarak Videsh Limited was declared Dormant Company from 04.11.2015.

$ Ramagundam Fertilizers & Chemicals Limited, a joint venture with Engineers India Limited and Fertilizer Corporation of India has been incorporated on 17.02.2015 for setting up of Fertilizer Unit at Ramagundam, Telangana under New Investment Policy, 2012. RFCL has commenced its commercial operation on 22.03.2021. The Annual Urea capacity of plant is 12.71 Lakhs MT.

^Restated figures refer note no. 64.

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note : 9 Loans (Non Current)

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Secured, considered good*		
Loans to employees	3.07	3.20
Unsecured, considered good		
Loans to employees	2.95	4.50
	6.02	**7.70**

* Secured against House Property / Vehicle

Note : 10 Other Financial Assets (Non Current)

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Security Deposits	24.76	22.58
Fixed Deposit - Margin Money against Bank Guarantees (more than one year)	5.62	10.47
Claims recoverable	0.63	0.72
Provision for doubtful advances*	(0.14)	(0.12)
	30.87	**33.65**
Unsecured, considered good from above	30.87	33.65
Unsecured, considered doubtful from above	0.14	0.12
Provision for doubtful advances*	(0.14)	(0.12)
	30.87	**33.65**
*** Details of Provisions for doubtful advance**		
Claims recoverable	0.14	0.12
Total	**0.14**	**0.12**

Note : 11 Other Non-Current Assets

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Income Tax Assets (Net)*	21.56	75.09
Recoverable Balances with customs and excise authorities	-	0.14
Capital Advance (secured, considered good)	-	16.39
Capital Advance (Unsecured, considered good)	0.04	0.07
Others	1.13	1.74
Provision for doubtful advances^	(0.01)	(0.01)
	22.72	**93.42**
Secured, considered good from above	-	16.39
Unsecured, considered good from above	22.72	77.03
Unsecured, considered doubtful from above	0.01	0.01
Provision for doubtful advances^	(0.01)	(0.01)
Provision for doubtful advances appropriated from reserve^	-	-
	22.72	**93.42**
^ Details of Provisions for doubtful advances		
Others	0.01	0.01
Total	**0.01**	**0.01**

* Interest on income tax refunds are considered on receipt basis.

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note : 12 Inventories

₹ in Crore

	As at 31st March 2025		As at 31st March 2024	
Raw materials	11.27		2.75	
Add: In transit	-	11.27	1.86	4.61
Work in Progress		59.48		37.60
Finished goods	81.04		173.28	
Add: In transit	135.03	216.07	99.90	273.18
Traded goods	153.20		1082.83	
Add: In transit	177.36	330.56	73.99	1156.82
Stores and spares	240.95		224.46	
Add: In transit	16.70		2.94	
Less: Provision for Obsolescence	4.80	252.85	2.62	224.78
Loose Tools		0.09		0.06
Packing Materials	15.47		25.41	
Add: In transit	1.24		2.66	
Less: Provision for Obsolescence	-	16.71	0.07	28.00
Others (Carbon Slurry)		23.50		24.62
		910.53		**1749.67**

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note : 13 Trade Receivables (Current)

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Subsidy	3001.52	3592.02
Others	319.13	488.45
Provison for Doubtful Receivables	(47.35)	(43.38)
	3273.30	**4037.09**
Aggregate of trade receivables:		
Unsecured, considered good (including secured debts backed by bank guarantees ₹ 50.68 crore, (CPLY ₹50.68 crore)	3273.30	4037.09
Unsecured, considered doubtful	47.35	43.38
Provison for Doubtful Receivables	(47.35)	(43.38)
	3273.30	**4037.09**

The Total Subsidy Receivable is ₹ 3001.52 crore (CPLY ₹ 3592.02 crore).

Pending sale of Urea and P&K fertilizer totalling 7.261 lakh MT through point of sales (POS) device to beneficiaries as on 31.03.2025, subsidy of ₹ 2124.72 crore which has accrued on sale to dealers but shall become due for payment under DBT upon sale through POS device and same has been recognized in the current period (CPLY quantities 11.826 lakh MT and subsidy ₹ 3022.74 crore). Further, provison is being made for unacknowledged POS quantity.

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Trade Receivable Ageing Schedule as on 31.03.2025

₹ in Crore

Particulars	Outstanding for following period from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good*	3,115.83	92.90	3.01	-	61.56	3,273.30
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	25.34	-	2.98	0.82	18.21	47.35
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**3,141.17**	**92.90**	**5.99**	**0.82**	**79.77**	**3,320.65**
Less : Provision for doubtful debts						(47.35)
Total						**3,273.30**

*include unbilled amount (POS Qty.) of ₹ 1947.33 crore

Trade Receivable Ageing Schedule as on 31.03.2024

₹ in Crore

Particulars	Outstanding for following period from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	3795.38	51.30	118.14	3.85	68.42	4037.09
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	22.50	-	1.49	1.10	18.29	43.38
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**3817.88**	**51.30**	**119.63**	**4.95**	**86.71**	**4080.47**
Less : Provision for doubtful debts						(43.38)
Total						**4,037.09**

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note: 14 Cash and Cash Equivalents

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Balances with banks		
Current accounts	17.80	29.35
Others (Franking Machines)	0.01	0.01
	17.81	**29.36**

Cash and Cash Equivalent includes earmarked balance in Amalgamated Fund of ₹ 0.59 crore (CPLY ₹ 0.57 crore) and Unspent CSR A/c of ₹ 1.58 crore (CPLY ₹ 1.54 crore).

Note: 15 Other Bank Balances

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Fixed Deposit - Margin Money against Bank Guarantees	14.74	8.33
(more than 3 months and less than 1 year)		
Unclaimed dividend account	0.23	0.25
	14.97	**8.58**

Note : 16 Loans (Current)

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Secured, considered good*		
Loans to employees	0.79	0.86
Unsecured, considered good		
Loans to employees	9.44	7.56
	10.23	**8.42**

* Secured against House Property / Vehicle

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note : 17 Other Financial Assets (Current)

	As at 31st March 2025	As at 31st March 2024
Security Deposits	0.69	1.32
Claims recoverable	109.14	146.76
Interest Accrued but not due on Deposits	-	-
Provision for doubtful claims*	(0.51)	(0.28)
	109.32	**147.80**
Unsecured, considered good from above	109.32	147.80
Unsecured, considered doubtful from above	0.51	0.28
Provision for doubtful claims*	(0.51)	(0.28)
	109.32	**147.80**
*** Details of Provisions for doubtful advance**		
Claims recoverable	0.51	0.28
Total	**0.51**	**0.28**

Note : 18 Current Tax Assets (Net)

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Advance Tax / TDS	-	27.88
Less : Provision for Tax	-	14.95
	-	**12.93**

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note: 19 Other Current Assets

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Unsecured, considered good unless otherwise stated		
Advances		
Contractors	30.01	0.47
Suppliers *	192.29	181.94
Employees	1.12	2.55
Recoverable/Balances with customs and excise authorities	1.51	1.48
GST Input Credit	325.92	401.24
Others[$]	89.54	93.56
Provision for doubtful advances^	(35.26)	(38.65)
	605.13	**642.59**
Unsecured, considered good from above	605.13	642.59
Unsecured, considered doubtful from above	35.26	38.65
Provision for doubtful advances^	(35.26)	(38.65)
	605.13	**642.59**
^ Details of Provisions for doubtful advances		
Contractors	0.58	0.58
Suppliers	6.30	6.30
GST Input Credit	26.50	29.55
Others	1.88	2.22
Total	**35.26**	**38.65**

* Includes amount recoverable on account of Gas Pool Account amounting to ₹ 174.58 crore (CPLY ₹ 163.04 crore)
$ Others mainly includes Prepaid Expense, Services etc.

Note: 20 Non Current Assets held for Disposal

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Non Current Asset Held for Disposal[#]	1.30	16.94
	1.30	**16.94**

Details of Non-Current Asset Held for Sale

Particulars	As at 31.03.2025	As at 31.03.2024
Plant & Machinery	1.30	16.94

Plant and machinery & other assets have been identified for disposal due to replacement / obsolescence of asset which happens in the normal course of business. On account of classification of these assets from Property Plant & Equipment, the loss is recognised in the statement of profit & loss account. The Company expects to dispose of items classified under "Non Current Asset Held for Sale" within one year.

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note : 21 Equity Share Capital

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Authorized		
100,00,00,000 Equity Shares (CPLY 100,00,00,000 Equity Shares) of ₹ 10 each	1000.00	1000.00
Issued, Subscribed and Paid -up		
49,05,78,400 Equity Shares (CPLY 49,05,78,400 Equity Shares) of ₹ 10 each fully paid up	490.58	490.58
	490.58	**490.58**

a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period.

Particulars	31st March 2025		31st March 2024	
	No. of Shares	Amount (₹In crore)	No. of Shares	Amount (₹ In crore)
Opening Balance	490578400	490.58	490578400	490.58
Increase during the year	-	-	-	-
Closing Balance	**490578400**	**490.58**	**490578400**	**490.58**

There has been no movement in the Issued, Subscribed and Paid -up capital of the Company during the year.

b. Terms/Rights attached to equity shares

The Company has only one class of equity share having a face value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share and entitled to dividends. The dividend proposed by the Board of Director is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend, which is approved by the Board of Directors. In the event of liquidation of the company, the holders of equity share will be entitled to receive the remaining assets of the company, after distribution to creditors and all preferential amounts. The distribution will be in proportion to the number of equity shares held by each shareholder.

c. Details of shareholders holding more than 5% shares in the company

Particulars	31st March 2025		31st March 2024	
	No.	%	No.	%
Equity Shares of ₹ 10 each fully paid				
I) The President of India	366529532	74.71	366529532	74.71
ii) Life Insurance Corporation of India (LIC)	24553003	5.00	31203197	6.36

d. Shareholding of Promoters as under:

Equity Shares held by promoters as on 31.03.2025				% Change during the year
S.No.	Promoter name	No. of Shares	% of total shares	
1.	The President of India	366,529,532	74.71	-
	Total	**366,529,532**	-	-

Equity Shares held by promoters as on 31.03.2024				% Change during the year
S.No.	Promoter name	No. of Shares	% of total shares	
1.	The President of India	366,529,532	74.71	-
	Total	**366,529,532**	-	-

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note : 22 Other Equity

₹ in Crore

		As at 31st March 2025	As at 31st March 2024
Capital Reserve			
Balance at the beginning of the year		2.51	2.51
Balance at the end of the year	A	**2.51**	**2.51**
General Reserve			
Balance at the beginning of the year		331.84	331.84
Balance at the end of the year	B	**331.84**	**331.84**
Retained Earnings in Statement of Profit and Loss			
Balance at the beginning of the year		1720.33	1707.71^
Less: Dividend Paid		13.25	136.87
		1707.08	1570.84
Profit/(Loss) for the year transferred from Statement of Profit and Loss		183.98	150.05
Profit/(Loss) for the year transferred from Other Comprehensive Income		(0.18)	(0.56)
Balance at the end of the year	**C**	**1890.88**	**1720.33**
Total	**(A+B+C)**	**2225.23**	**2054.68**

^ Restated figures refer note no. 64.

Note: 23 Lease Liabilities (Non Current)

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Lease Liabilities	3.43	1.42
	3.43	**1.42**

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note: 24 Other Financial Liabilities (Non Current)

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Security Deposits	8.12	5.92
Others#	10.41	16.05
	18.53	**21.97**

Gross amount of ₹ 14.61 crore (CPLY ₹ 21.34 crore) received in trust from disabled employees/legal heirs of deceased employee out of their Provident Fund (PF)/Gratuity amount under NFL Employees Family Economic & Social Rehabilitation Scheme.

Note: 25 Provisions (Non Current)

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Provision for employee benefits *^	212.81	212.26
	212.81	**212.26**
*** Item wise breakup of Provisions for employee benefits**		
Earned Leave	95.83	99.30
Half Pay Leave	103.57	100.44
Post Retirement Settlement Benefits	1.45	1.53
Long Service Award	0.56	0.54
Social Security Benefits	3.66	3.58
Employees' Family Economic Rehabilitation Scheme	7.74	6.87
	212.81	**212.26**

^ Short term Provision for Employee Benefits of ₹129.57 crore (CPLY ₹107.46 crore) is disclosed in Note 33.
Disclosure as per Ind AS 19 "Employee Benefit" are provided in Note 52.

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note: 26 Deferred Government Grant

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Opening Balance#		
Non Current	1554.87	1739.18
Current	196.93	194.88
Add: Addition/Adjustment during the year (AFCP)*	(4.57)	-
Add: Addition/Adjustment during the year (Others)	0.10	10.00
Less : Govt Grant recognised in Statement of Profit & loss Account (Note No. 37)	192.56	192.27
Less : Transferred Deferred Government Grant Current (Note 34)	191.97	196.93
	1362.80	**1554.86**

Includes Capital Grant from Govt. of India, Ministry of Chemicals & Fertilizers for Ammonia Feed Stock Conversion Project (AFCP) from `LSHS/FO' to `Gas' vide sanction letter no. 14016/2/2007-FP(Vol.II)(2) dated 08.02.2010 for Panipat Unit, sanction letter no.14016/2/2007-FP (Vol. II)(1) dated 08.02.2010 for Bathinda Unit and sanction letter no.14016/2/2007-FP (Vol. II)(3) dated 08.02.2010 for Nangal Unit. The grant has been accordingly accounted for as per Ind AS 20 `Accounting for Government Grants'.

* Represents addition / adjustment to Property, Plant & Equipment in respect of Ammonia Feed Stock Conversion Projects from 'LSHS/FO' to 'Gas' at Bathinda, Panipat and Nangal units.

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note: 27 Deferred Tax Liabilities (Net)

₹ in Crore

		As at 31st March 2025	As at 31st March 2024
Deferred Tax Liability (A)			
Property, Plant & Equipment: Impact of difference between depreciation as prescribed under Income Tax Act, 1961 and depreciation/amortization charged in Statement of Profit and Loss.		202.54	188.30
	(A)	**202.54**	**188.30**
Deferred Tax Assets (B)			
Impact of expenditure and provisions charged to the Statement of Profit and Loss during the year but allowed on deferred / actual payment basis for Tax purposes.		118.99	113.43
Losses carried forward		-	-
	(B)	**118.99**	**113.43**
Net deferred tax liability	**(A-B)**	**83.55**	**74.87**

Movement in deferred tax components

₹ in Crore

Particulars	At April 1, 2024	Charged or (credited) to profit or loss	At March 31, 2025
Expenses allowed on cash basis	113.43	(5.56)	118.99
Property, Plant & Equipment impact	(188.30)	14.24	(202.54)
Total	**(74.87)**	**8.68**	**(83.55)**

Disclosure as per Ind AS 12, Income Tax, are provided in Note No. 48.

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note : 28 Other Non Current Liabilities

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Others	5.07	6.36
	5.07	**6.36**

Other mainly includes Deferred Revenue Expenditure.

Note: 29 Borrowings (Current)

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Secured		
Cash credit from banks*	42.63	134.73
Working Capital Demand Loan*	1200.00	1200.00
Unsecured		
Short Term loans from Banks	753.14	2753.60
	1995.77	**4088.33**

* Cash credit / Working Capital Demand Loan from Banks are secured by first charge ranking pari-pasu inter-se against hypothecation on the whole of the current assets of the borrower namely, Stocks of Raw Materials, Stocks in Process, Semi Finished and Finished Goods, Stores and Spares not relating to Plant & Machinery (Consumable Stores and Spares), Bills receivables and book debts and all other moveables, both present and future of the company.

Note: 30 Lease Liabilities (Current)

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Lease Liabilities	1.85	0.98
	1.85	**0.98**

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note: 31 Trade Payables (Current)

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Micro and Small Enterprises*	29.30	12.77
Other than Micro and Small Enterprises$	1,507.97	1335.62
	1537.27	**1348.39**

$ Includes amount of ₹1105.50 crore (CPLY ₹1039.84 crore) on account of Gas supplies.

Trade Payables ageing Schedule as on 31.03.2025

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	29.30	-	-	-	29.30
(ii) Others	1,486.31	8.15	7.40	5.66	1,507.52
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	0.45	0.45
Total	**1,515.61**	**8.15**	**7.40**	**6.11**	**1,537.27**

Trade Payables ageing Schedule as on 31.03.2024

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	12.77	-	-	-	12.77
(ii) Others	1,328.76	2.48	0.34	3.60	1,335.18
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	0.44	0.44
Total	**1,341.53**	**2.48**	**0.34**	**4.04**	**1,348.39**

* Information in respect of micro and small enterprises as at 31 March 2025 as required by Schedule III to the Companies Act, 2013 and Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act).

Particulars	31st March 2025	31st March 2024
Principal amount remaining unpaid	29.30	12.77
Interest Due thereon	-	-
Amount of Interest paid by the company in terms of Section 16 of MSMED Act along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
Amount of Interest due and payable for the period of Delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	-	-
Amount of interest accrued and remaining unpaid.	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act.	-	-

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note: 32 Other Financial Liabilities (Current)

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Creditors for Capital Works	5.66	47.80
Security Deposits	353.25	353.56
Liability for employee benefits / remuneration	17.26	32.26
Unclaimed dividend	0.23	0.25
Unspent amount of CSR yet to be transferred to specified fund account	0.70	0.32
Others[$]	464.40	420.77
	841.50	**854.96**

$ Gross amount of ₹ 7.42 crore (CPLY ₹ 3.39 crore) received in trust from disabled employees/legal heirs of deceased employee out of their Provident Fund (PF)/Gratuity amount under NFL Employees Family Economic & Social Rehabilitation Scheme. Further, Other mainly includes Liability for Imports & unspent CSR amount for ongoing project.

Note: 33 Provisions (Current)

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Provision for employee benefits*^	129.57	107.46
Provision for Impairment in NFL PF Trust Investment (refer note 52.1.7)	18.31	19.29
	147.88	**126.75**
*** Item wise breakup of provisions for employee benefits:**		
Gratuity	79.35	68.51
Earned Leave	20.16	15.89
Half Pay Leave	26.52	19.53
Post Retirement Settlement Benefits	0.31	0.26
Long Service Award	0.13	0.13
Social Security Benefits	1.04	1.16
Employees' Family Economic Rehabilitation Scheme	2.06	1.98
	129.57	**107.46**

^ Long term Provision for Employee Benefits of ₹ 212.81 crore (CPLY ₹ 212.26 crore) is disclosed in Note 25.
Disclosure as per Ind AS 19 "Employee Benefit" are provided in Note 52.

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note: 34 Deferred Government Grant

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Deferred Government Grant		
AFCP*#	188.06	192.25
Others	3.91	4.68
	191.97	**196.93**

The Capital Grant from Govt. of India, Ministry of Chemicals & Fertilizers for Ammonia Feed Stock Conversion Project (AFCP) from `LSHS/FO' to `Gas' vide sanction letter no. 14016/2/2007-FP(Vol.II)(2) dated 08.02.2010 for Panipat Unit, sanction letter no.14016/2/2007-FP (Vol. II)(1) dated 08.02.2010 for Bathinda Unit and sanction letter no.14016/2/2007-FP (Vol. II)(3) dated 08.02.2010 for Nangal Unit. The grant has been accordingly accounted for as per Ind AS 20 `Accounting for Government Grants'.

Non Current Deferred Government Grant is disclosed in Note No. 26.

Note: 35 Current Tax Liabilities (Net)

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Provision for Corporate Tax		
Provision for tax	19.30	-
Advance Tax / TDS	(1.29)	-
	18.01	-

Note: 36 Other Current Liabilities

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Advances from Customers	52.21	47.86
Statutory Dues	65.00	57.98
Provision for Statutory Dues	57.41	57.41
	174.62	**163.25**

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note : 37 Revenue from operations

₹ in Crore

		Year Ended 31st March 2025	Year Ended 31st March 2024
A) Sale of Goods			
Finished goods		2611.25	2478.04
Traded goods		3236.51	5029.27
	(a)	**5847.76**	**7507.31**
Subsidy from Government of India:			
Manufactured Fertilizers (Urea)		11,218.36	11,481.17
Traded Imported Fertilizers (NBS)		2,383.00	4,138.92
Others		83.74	114.03
Total subsidy[$]	**(b)**	**13685.10**	**15734.12**
Revenue from operations (gross) (a)+(b)	**(A)**	**19532.86**	**23241.43**
$ Subsidy includes Past Period Subsidy and differential amount for the earlier years notified during the current year		(142.61)	92.33

(i) Pending sale of urea and P&K fertilizer totalling 7.261 lakh MT through POS device to beneficiaries as on 31.03.2025, subsidy of ₹ 2124.72 crore which has accrued on sale to dealers but shall become due for payment under DBT upon sale through POS device has been recognized in the current period (CPLY quantities 11.826 lakh MT and subsidy ₹ 3022.74 crore).

(ii) The Department of Fertilizers[DOF] during the previous year directed the Company to ensure availability of P & K Fertilizers during the Kharif 2023 and Rabi 2023-24 season, Further, in view of price volatility DOF vide its letter dated 21.09.2023 as modified by the letter dated 29.05.2024 assured the company to protect its adversity of subsidy(losses), on no profit no loss basis including stock imported by it during FY2023-24 and held by it(including POS Stock) as on 30.09.2023, beyond the applicable nutrient based subsidy rates, if any. The Company was carrying stock of P&K Fertilizers as at 31st March 2024 and upon sale of these stocks during the current year, recognized adversity of subsidy of ₹ 134.14 Crores (CPLY ₹ 486.53 Crores). The management of the Company is of the view that the variance at the time of processing and Payment by DOF, if any, shall not have a material impact on the profit/loss of the company.

(iii) Department of Fertilizers (DoF) vide its letter no. 23011/127/2024-P&K dated 01.10.2024 has stated that the advantage/disadvantage on upward/downward trend in CFR prices of Imported P&K fertilizers including custom duty would be passed on to the importers beyond the NBS rate effective for the shipments which arrive during 01.09.2024 to 31.03.2025. The CFR price of P&K Fertilizers beyond the benchmark rate only will be considered. The benchmark rate considered for NBS subsidy of DAP for Rabi 2024-25 is 559.71 USD/MT and exchange rate is ₹ 83.23/USD.

The company has imported DAP of 4.65 LMT during 01.09.2024 to 31.03.2025 out of which 4.45 LMT has been sold. Accordingly, disadvantage of ₹ 323.92 crore has been considered as revenue in books of accounts. The disadvantage of ₹18.17 crore has been considered in inventory valuation on closing stock of 0.21 LMT as on 31.03.2025."

(iv) DoF vide letter No. 23011/124/2024/P&K dated 23.09.2024 decided a special package of Rs 3500/- PMT of DAP to meet 'other costs', over and above the subsidy under Nutrient Based Subsidy scheme. The special package was initially applicable upto 31.12.2024 and subsequently extended till 30.9.2025 through DoF letters dated 13.1.2025 and 3.4.2025. As company has incurred other costs more than Rs 3500/- PMT, an amount of ₹174.54 crore has been recognized towards special package as subsidy, for sale of 4.987 LMT of DAP during current year, out of cargoes arrived during this year. The management of the company is of the view that the variance at the time of processing and payment by DoF, if any, shall not have material impact on the profit / loss of the company.

Notes to Consolidated Financial Statements for the year ended 31st March 2025

₹ in Crore

	Year Ended 31st March 2025	Year Ended 31st March 2024
B) Sale of Services		
i) Training & Recruitment for other organisation	-	-
ii) Services to Other Organisations	48.46	40.80
(B)	**48.46**	**40.80**

₹ in Crore

	Year Ended 31st March 2025		Year Ended 31st March 2024	
C) Other Operating Revenue				
i) Amortisation of Deferred Govt Grant*				
AFCP	187.80		188.65	
Others	4.76	192.56	3.62	192.27
ii) Service Charges (on Import of Urea on behalf of Govt.)		13.33		2.83
iii) Insurance Claims (refer note a & b)		7.29		82.98
(C)		**213.18**		**278.08**
Total Revenue from Operations (A+B+C)		**19794.50**		**23560.31**

* Deferred Govt Grant of ₹ 192.56 crore (CPLY ₹ 192.27crore) recognised on a systematic basis over the useful life of the AFCP and Other Assets. The corresponding depreciation is appearing in Note No. 46.

(a) During previous year, Gas Turbine Generator (GTG) along with Heat Recovery Steam Generation (HRSG) units, a major part of plant, property & equipment, installed at Bathinda Unit got completely damaged. Claim assessing loss of ₹ 77.01 crore (net of all deductions) was accepted by the company and recognized as income during previous year.

The claim is still pending for receipt as on 31.03.2025 and the final approval of the amount has been received before the reporting date.

(b) During previous year due to cyclone Biparjoy, fertilizers lying at Tuna port was damaged. Against initial claims of the company, interim payment of ₹ 5.96 crore was released by insurer and the same was recognized as insurance claim. During the year, insurer advised for disposal of damaged goods and upon disposal of damaged goods, company realized proceeds of ₹ 7.29 crore and the same is recognized as insurance claim.

Company has filed final claim with insurer for ₹ 31.31 crore (net of all policy deductibles).

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note : 38 Other Income

₹ in Crore

	Year Ended 31st March 2025	Year Ended 31st March 2024
A) Interest Income on Financial Assets measured at amortised cost		
i) Term Deposits	2.56	19.51
ii) Loan to employees	1.01	0.41
iii) Unwinding of Interest accrued on Deposits	2.84	3.29
iv) Others	1.46	2.79
(A)	**7.87**	**26.00**
B) Interest income on Income Tax Refund	3.37	3.18
(B)	**3.37**	**3.18**
C) Non Operating Income		
i) Profit on Sale of Assets	15.32	9.12
ii) Rent	24.77	26.78
iii) Sale of Scrap	5.75	5.24
iv) Recoveries on delayed payment on credit sales	10.49	12.40
v) Liquidated Damages recovered from Contractor / Supplier	13.12	7.33
vi) Hire Charges of Equipment	-	0.03
vii) Others	14.33	20.23
(C)	**83.78**	**81.13**
(A+B+C)	**95.02**	**110.31**

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note: 39 Cost of material consumed

₹ in Crore

	Year Ended 31st March 2025	Year Ended 31st March 2024
Raw Material (A)		
Inventory at the beginning of the year	4.61	5.25
Purchases	6999.17	7373.80
	7003.78	**7379.05**
Less: Inventory at the end of the year	(11.27)	(4.61)
Cost of raw material consumed	**6992.51**	**7374.44**
Packing material (B)	164.56	188.28
Stores and spares (C)	79.08	86.27
Loose Tools (D)	0.14	-
Cost of material consumed (A+B+C+D)	**7236.29**	**7648.99**
Itemwise break up of raw material consumed		
Natural Gas	6953.14	7330.99
Others	39.37	43.45
	6992.51	**7374.44**

Note: 40 Purchase of Stock- in- Trade

₹ in Crore

	Year Ended 31st March 2025	Year Ended 31st March 2024
Traded goods purchased	**4,260.57**	**6985.12**

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note: 41 Changes in Inventories of Finished Goods, Work-in-Progress and Stock -in-Trade

₹ in Crore

	Year Ended 31st March 2025		Year Ended 31st March 2024	
Opening inventories				
Work in Progress		37.60		64.68
Finished goods		273.18		274.65
Traded goods		1156.82		2506.54
Others		24.62		25.55
		1492.22		**2871.42**
Closing inventories				
Work in Progress		59.48		37.60
Finished goods		216.07		273.18
Traded goods	330.56		1175.74	
Less: Loss on Damaged Stock due to cyclone Biparjoy	-	330.56	18.92	1156.82
Others		23.50		24.62
		629.61		**1492.22**
Net (Increase)/decrease in inventories		**862.61**		**1379.20**

Note: 42 Employee Benefits Expense

₹ in Crore

	Year Ended 31st March 2025	Year Ended 31st March 2024
Salaries, Wages and Bonus	484.11	508.14
Contribution to Provident and Other Funds	50.55	51.94
Gratuity Expenses	10.62	11.17
Welfare expenses[#]	64.72	64.25
	610.00	**635.50**

Includes payment of ₹ 2.95 crore (CPLY ₹ 3.16 crore) paid to disabled employees/legal heirs of deceased employees under NFL Employee Family Economic and Social Rehabilitation Scheme.

Disclosure as per Ind AS 19 in respect of Provision made towards various employees benefits are provided in Note 52.

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note: 43 Power and Fuel

₹ in Crore

	Year Ended 31st March 2025	Year Ended 31st March 2024
Purchased power	55.93	86.09
Coal	309.02	275.12
Natural gas	4482.90	4343.47
Cess on Electricity	24.39	27.86
	4872.24	**4732.54**

The company is having 18613 no. (CPLY 19332 No.) of Energy Savings Certificates (ESCs) which are available for sale.

Note: 44 Repair and Maintenance

₹ in Crore

	Year Ended 31st March 2025	Year Ended 31st March 2024
Plant and machinery	87.48	88.44
Buildings	20.25	12.89
Others	10.97	12.32
	118.70	**113.65**

Note: 45 Finance Cost

₹ in Crore

	Year Ended 31st March 2025	Year Ended 31st March 2024
Interest :		
Cash credit	9.35	6.51
Short term loans	199.24	240.47
Rupee Term Loan	-	2.96
Unwinding of Interest accrued on Deposits	2.88	3.83
Others	13.50	12.44
Other Borrowing Cost	0.71	1.09
	225.68	**267.30**

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note: 46 Depreciation and Amortization Expense

₹ in Crore

	Year Ended 31st March 2025	Year Ended 31st March 2024
Depreciation / Amortization on tangible assets*	368.58	360.28
Depreciation on Investment Property	0.04	0.08
Depreciation on Right to Use Asset	1.92	0.83
Amortization of intangible assets	2.46	0.49
	373.00	**361.68**

* Depreciation includes ₹ 192.56 crore (CPLY ₹ 192.27 crore) towards Assets of AFCP / PoS Devices / Others purchased from Govt Grant / retailer margin and equivalent amount is appearing as Govt Grant Income in Note 37.

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note : 46 Other Expenses

₹ in Crore

	Year Ended 31st March 2025		Year Ended 31st March 2024	
Rent		0.63		0.57
Rent for Godown		7.12		10.20
Rates and Taxes		6.75		5.05
Insurance		65.86		51.87
Auditors' remuneration:				
Audit Fee	0.37		0.32	
Tax Audit Fee	0.12		0.08	
Certification and Other Fee	0.37		0.42	
Out of pocket expenses	0.13	0.99	0.12	0.94
Cost Audit Fee		0.04		0.04
Security Expenses		74.72		71.43
Printing and Stationery		0.98		1.18
Advertisement, Publicity and Sales Promotion		9.53		34.77
Directors' Fees		0.24		0.35
Telephone and Postage		1.75		2.00
Travelling		12.76		9.15
Water Charges		4.00		4.25
Provision for:				
Doubtful Advances & Debts	3.87		3.58	
Un-utilised GST Input Credit	(3.05)		4.44	
Others	1.31	2.13	0.46	8.48
Write Off:				
Stores and Spares	4.06		3.18	
Fixed Assets	0.13		0.60	
Others	0.06	4.25	0.06	3.84
Legal Expenses		1.79		1.31
Bank Charges		7.52		9.59
Demurrage and Wharfage		0.88		0.79
Exchange rate variation (net)		12.61		22.36
CSR Expenditure (refer note 57).		6.81		7.40
Miscellaneous expenses		69.74		60.52
		291.10		**306.09**

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note : 48 Income Tax Expense

₹ in Crore

		Year Ended 31st March 2025	Year Ended 31st March 2024
Current Tax			
Current Tax on Profits for the year		19.30	14.94
Adjustments for Current Tax of prior periods		(0.21)	1.39
Total Current tax expense	**(A)**	**19.09**	**16.33**
Deferred Tax			
Decrease / (increase) in deferred tax assets		(5.56)	(7.53)
(Decrease) / increase in deferred tax liabilities		14.24	14.77
Total Deferred Tax Expense / (benefits)	**(B)**	**8.68**	**7.24**
	(A+B)	27.77	23.57
Income Tax Relating to Other Comprehensive Income		0.05	0.21
Income Tax Expense		**27.82**	**23.78**

	Year Ended 31st March 2025	Year Ended 31st March 2024
Reconciliation of the tax expense and the accounting profit multiplied by tax rate		
Profit before tax	104.08	88.52
Tax at the enacted rate of 25.168%	26.19	22.28
Add :		
Tax effect of amount not deductible (taxable) while calculating taxable income		
Add :CSR Expense	1.71	1.86
Add: Payment To Special Welfare Fund Not Allowable	0.02	0.01
Others	(0.10)	(0.37)
Total Income Tax Expense	**27.82**	**23.78**

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note: 49 Earning Per Share

₹ in Crore

	Year Ended 31st March 2025	Year Ended 31st March 2024
Profit/(Loss) after Tax (₹ in crore)	183.98	150.05
Number of Equity shares	490578400	490578400
Weighted Average Number of Equity Shares	490578400	490578400
Face value per share (₹)	10	10
Basic earnings per share (₹)	3.75	3.06
Diluted earnings per share (₹)	3.75	3.06

The Company has not issued any security which will have the effect of diluting earnings on equity.

Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing:

(i) the profit attributable to owners of the company

(ii) by the weighted average number of equity shares outstanding during the financial year.

(b) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account

(i) the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

(ii) the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note 50 : Contingent Liabilities

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Claims against the Company not acknowledged as debts		
a. Pending Appellate/Judicial decisions:		
Income tax	47.95	44.36
Excise, Customs, GST and Service Tax	243.76	23.49
Sales Tax & Value Added Tax	6.92	6.95
Land compensation/development claims	1.46	1.39
Arbitration and civil cases*	152.58	107.57
b. Other claims	1.72	1.95
c. Claims in respect of legal cases filed against the company for labour and other matters, amount whereof is not ascertainable	-	-
	454.40	**185.71**

In Contingent Liability cases, interest on Statutory demands is recognised on receipt of demand notice.
* Includes demand of ₹ 47.72 crore by State Pollution Board against the the delay in dispoal of carbon slurry at Bathinda and Panipat Unit against which appeal filed by the company in National Green Tribunal (NGT).

Note 51: Capital and Other Commitments

₹ in Crore

	As at 31st March 2025	As at 31st March 2024
Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:		
(i) Estimated amount of contracts remaining to be executed on capital accounts and not provided for (net of advances).	166.35	232.04
(ii) Unutilized amount of Letter of Credit	14.48	13.71

Notes to Consolidated Financial Statements for the year ended 31st March 2025

52.1 Ind AS-19: Employee Benefits

52.1.1 General description of defined benefit schemes:

Gratuity	Payable on separation @ 15 days pay for each completed year of service subject to maximum of ₹ 20 lakh to eligible employees who render continuous service of 5 years or more.
Leave Encashment {Earned Leave (EL) and Half Pay Leave(HPL)}	Payable on separation to eligible employees who have accumulated earned leave and half pay leave. During the service period encashment of accumulated earned leave is allowed in a financial year leaving minimum balance leave of 10 days.
Long Service Award (LSA)	Payable to employees on completion of specified years of service.
Post Retirement Settlement Benefits (PRSB)	Post Retirement Settlement Benefits (PRSB) for settlement at home town for employees and dependents
Legal heirs of deceased employees and disabled employees (separated) can opt for either of the following two schemes:	
Social Security Benefits (SSB)	Lump sum benefit payable for left over month of service limited to 60 month pay (maximum ₹9.00 lakhs with minimum benefits of ₹1.00 lakhs).
Employees' Family Economic Rehabilitation Scheme (EFERS)	Monthly payment along with medical and children education benefits in lieu of prescribed deposit upto the date of notional superannuation.

52.1.2 Provident Fund:

The Provident Fund contributions are made to a Trust. The interest rate payable to the members of the Trust shall not be lower than statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952.

During the year an amount of ₹ 36.27 crore (CPLY ₹ 37.27 crore) has been charged to statement of Profit and loss towards contribution by the Company.

The Provident Fund Trust set up by the Company is treated as Defined Benefit Plan since the Company has to meet the shortfall in the fund assets, if any. Further, having regard to the assets of the Fund and the Return on the Investments, the Company does not expect any deficiency in the foreseeable future. In terms of the guidance note issued by the Institute of Actuaries of India, the actuary has provided a valuation of provident fund liability and determined that there is no shortfall as at 31st March, 2025.

The funds of the trust have been invested under various securities as prescribed by regulatory authorities.

52.1. 3 Other disclosures/reconciliation, in respect of defined benefit obligation are as under:

₹ in Crore

	Gratuity		EL		HPL		PRSB		LSA		PF	
	24-25	23-24	24-25	23-24	24-25	23-24	24-25	23-24	24-25	23-24	24-25	23-24
(i) Reconciliation of present value of defined benefit obligations and plan assets:												
1 Present value of projected benefit obligations at beginning of the year	264.32	277.34	115.19	113.92	119.97	112.38	1.79	1.69	0.67	0.73	1360.08	1352.15
2 Acquisition adjustment		-	-	-	-	-	-	-	-	-	-	-
3 Service Cost	6.64	7.07	6.68	6.65	5.42	4.94	0.08	0.08	0.05	0.04	36.27	37.27
4 Past Service Cost	-	-	-	-	-	-	-	-	-	-	-	-
5 Interest Cost	19.06	20.44	8.30	8.39	8.65	8.28	0.13	0.12	0.05	0.06	105.08	106.13
6 Actuarial (Gains) / Losses	0.86	1.05	24.42	23.81	6.82	5.27	(0.05)	0.04	0.03	0.05	0.18	(47.28)
7 Benefits Paid	(41.42)	(41.58)	(38.59)	(37.58)	(10.77)	(10.90)	(0.19)	(0.14)	(0.11)	(0.21)	(230.50)	(153.71)
8 Plan Participant's Contribution	-	-	-	-	-	-	-	-	-	-	61.23	64.22
9 Transfer in	-	-	-	-	-	-	-	-	-	-	0.44	1.30
10 Present value of projected benefit obligations at close of the year [1 to 9]	249.46	264.32	116.00	115.19	130.09	119.97	1.76	1.79	0.69	0.67	1332.78	1360.08
11 Fair Value of Plan assets at close of the year	(170.11)	(195.81)									1341.40	1367.74
12 Net Liability recognized in Balance Sheet at close of the year [10-11]	79.35	68.51	116.00	115.19	130.09	119.97	1.76	1.79	0.69	0.67	-	-
(ii) Reconciliation of fair value of assets and obligations [Refer Foot Note 1 below]:												
1 Fair value of plan assets at beginning of the year	195.81	220.69	-	-	-	-	-	-	-	-	1367.74	1356.44
Opening Adjustment as per balance sheet											(0.49)	(18.73)
2 Acquisition adjustment	-	-	-	-	-	-	-	-	-	-	61.67	65.52
3 Expected Return on plan assets	14.12	16.27	-	-	-	-	-	-	-	-	105.08	106.13
4 Actual Company's contribution	0.94	0.08	-	-	-	-	-	-	-	-	36.27	37.27
5 Actuarial Gains/(Losses)	0.64	0.26	-	-	-	-	-	-	-	-	1.63	(25.18)
6 Benefits Payments	(41.40)	(41.49)	-	-	-	-	-	-	-	-	(230.50)	(153.71)
7 Past service Cost	-	-	-	-	-	-	-	-	-	-	-	-
8 Fair value of plan assets at close of the year (1 to 7)	170.11	195.81	-	-	-	-	-	-	-	-	1341.40	1367.74
9 Present value of defined benefit obligation	249.46	264.32	-	-	-	-	-	-	-	-	1332.78	1360.08
10 Net liability recognized in the Balance Sheet at close of the year [9-8]	79.35	68.51	-	-	-	-	-	-	-	-	-	-
11 Maturity Profile of Defined Benefit Obligation Within the next 12 months (Next annual reporting period)	48.95	41.91	-	-	-	-	-	-	-	-	232.56	59.34
Between 2 and 5 years	119.76	133.42	-	-	-	-	-	-	-	-	588.44	256.27
More than 5 Years	80.75	88.99	-	-	-	-	-	-	-	-	511.78	1,044.47

₹ in Crore

	Gratuity		EL		HPL		PRSB		LSA		PF	
	24-25	23-24	24-25	23-24	24-25	23-24	24-25	23-24	24-25	23-24	24-25	23-24

(iii) Expenses recognized in the Statement of Profit & Loss:

1	Service Cost	6.64	7.07	6.68	6.65	5.42	4.94	0.08	0.08	0.05	0.04	36.27	37.27
2	Interest Cost	19.06	20.44	8.30	8.39	8.65	8.28	0.13	0.12	0.05	0.06	105.08	106.13
3	Actuarial (Gains) / Losses	0.22	0.79	24.42	23.81	6.82	5.27	(0.05)	0.04	0.03	0.05	0.18	(47.28)
4	Expected return on Plan Assets	(14.12)	(16.27)	-	-	-	-	-	-	-	-	(105.08)	(106.13)
5	Total charged to P&L Account	11.80	12.03	39.40	38.85	20.89	18.49	0.16	0.24	0.13	0.15	-	-

(iv) Actuarial assumptions:

		As at 31st March 2025	As at 31st March 2024
1	Method used	Projected Unit credit	Projected Unit credit
2	Discount Rate (per annum)	6.78%	7.21%
3	Mortality Rate	Indian assured lives mortality (2012-14) modified ultimate	Indian assured lives mortality (2012-14) modified ultimate
4	Withdrawal Rates (per annum) upto 30 / 44 and above 44 years	Executives and Non Executives 3%/2%/1%, depending upon age	Executives and Non Executives 3%/2%/1%, depending upon age
5	Salary escalation taking into account inflation rate, seniority, promotion and other relevant factors	6.00%	6.00%

(v) Actuarial assumptions (PF):

		As at 31st March 2025	As at 31st March 2024
1	Discount Rate (per annum)	6.78%	7.21%
2	Interest Rate Guarantee	8.25%	8.25%

Sensitivity Analysis of the defined benefit obligation.

Effect of half percent point change in the Discount rate on Employee's Benefit Schemes

₹ in Crore

Sr. No.	Particulars	0.5 percent point decrease in discounting rate	0.5 percent point increase in discounting rate
1	Gratuity	6.03	(5.68)
2	Earned Leave	3.98	(3.68)
3	Half Pay Leave	3.16	(2.98)

Effect of half percent point change in the Salary escalation on Employee's Benefit Schemes

₹ in Crore

Sr. No.	Particulars	0.5 percent point decrease in salary escalation rate	0.5 percent point increase in salary escalation rate
1	Gratuity	(1.87)	1.80
2	Earned Leave	(3.72)	3.99
3	Half Pay Leave	(3.01)	3.17

Foot Note:

a The Company has funded the gratuity liability through a separate Gratuity Fund. The fair value of the plan assets is mainly based on the information given by the insurance companies through whom the investment has been made by the fund. Gratuity liability of ₹ 79.35 crore (CPLY ₹ 68.51 crore) is unfunded as on 31st March, 2025. Other defined benefit obligations are unfunded.

52.1.4 Other Employee Benefit Schemes:

Provision of ₹ 0.91 crore (CPLY ₹ (2.36) crore) towards Employees' Family Economic Rehabilitation Scheme and Social Security Benefits Scheme has been charged on the basis of actuarial valuation and credited to the Statement of Profit and Loss account. A net liability of ₹ 14.50 crore (CPLY ₹ 13.59 crore) has been recognized in the Balance Sheet as at 31st March 2025 on account of these schemes.

52.1.5 Provident Fund:

Provident Fund: 12% of Basic Pay plus Dearness Allowance contributed to the Provident Fund Trust of the Company. The Company does not anticipate any further obligation in the near foreseeable future having regard to the amount of the fund and return on investment as confirmed by the actuary.

52.1.6 The major categories of plans assets are as follows:

₹ in Crore

Particulars	31st March 2025				31st March 2024			
	Quoted ₹	Unquoted ₹	Total ₹	in %	Quoted ₹	Unquoted ₹	Total ₹	in %
Equity instruments	18.45	-	18.45	1.42	6.95	-	6.95	0.53
Debt instruments	1244.82	-	1244.82	95.51	1301.36	-	1301.36	98.00
Asset backed securities	-	-	-	-	-	-	-	-
Investment funds	-	-	-	-	-	-	-	-
Derivatives	-	-	-	-	-	-	-	-
Cash & Cash Equivalents	-	40.07	40.07	3.07	-	19.58	19.58	1.47
Total	**1263.27**	**40.07**	**1303.34**	**100.00**	**1308.31**	**19.58**	**1327.89**	**100.00**

52.1.7

The Employee benefit of Provident Fund is administered through a separate NFL Employees Provident Fund Trust. Out of the investment made by PF trust in the past, one issuer of security has defaulted in payments. The value of Investment is ₹ 19.29 crore including interest. During the FY 2024-25, an amount of ₹ 0.98 crore has been received by Trust. Hence, considering the Employers obligation to make good the loss in value of investment under Provident Fund Regulations, Company has provided for ₹ 18.31 crore in the books of accounts.

Note 53 : Ind AS-108: Operating Segments

Ind AS-108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about product and services, geographical areas and major customers.

Company's primary business segments are

i) Manufactured Fertilizers (Urea, Bentonite Sulphur,Bio fertilizers)

ii) Manufactured Chemicals (Industrial Products, Agro Chemicals, etc)

iii) Traded Imported Fertilizers (Under NBS)

iv) Others (Domestic Traded Product, Agro Inputs, Sale Services, etc.).

and are reportable segments under Ind AS 108. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

53.1.1 Geographical Segment:

The operations of the company are conducted within India and there is no separate reportable geographical segment.

53.1.2 The disclosure of segment-wise information is as below:

₹ in Crore

PARTICULARS	Year Ended 31st March 2025	Year Ended 31st March 2024
Segment Revenue		
Manufactured Fertilizers (Urea, Bentonite Sulphur,Bio fertilizers)	13433.16	13680.35
Manufactured Chemicals (Industrial Products, Agro Chemicals, etc)	586.02	469.08
Traded Imported Fertilizers (Under NBS)	4530.70	8095.51
Others (Domestic Traded Product, Agro Inputs, Sale Services, etc.)	1395.87	1471.29
Less : Eliminations	151.25	155.92
Total Segment Revenue	**19794.50**	**23560.31**
Segment Results		
Manufactured Fertilizers (Urea, Bentonite Sulphur,Bio fertilizers)	93.30	46.38
Manufactured Chemicals (Industrial Products, Agro Chemicals, etc)	140.85	99.30
Traded Imported Fertilizers (Under NBS)	41.97	91.93
Others (Domestic Traded Product, Agro Inputs, Sale Services, etc.)	126.12	178.16
Total Segment Results	**402.24**	**415.77**
Finance expenses	225.68	267.30
Unallocable Expenses (Net of unallocable income)	(35.24)	(25.36)
Profit / (Loss) Before exceptional item & tax	**211.80**	**173.83**
Exceptional Item	-	-
Profit / (Loss) Before Tax	**211.80**	**173.83**
Provision for Tax	27.82	23.78
Profit After Tax	**183.98**	**150.05**
Other comprehensive income (net of taxes)	(0.18)	(0.56)
Total Comprehensive Income	**183.80**	**149.49**
Segment Assets		
Manufactured Fertilizers (Urea, Bentonite Sulphur,Bio fertilizers)	6670.34	6713.13
Manufactured Chemicals (Industrial Products, Agro Chemicals, etc)	125.79	136.54
Traded Imported Fertilizers (Under NBS)	1362.53	3151.26
Others (Domestic Traded Product, Agro Inputs, Sale Services, etc.)	72.94	52.71
Unallocable	1079.27	1142.95
Segment Assets	**9310.87**	**11196.59**
Segment Liabilities		
Manufactured Fertilizers (Urea, Bentonite Sulphur,Bio fertilizers)	3985.74	3943.36
Manufactured Chemicals (Industrial Products, Agro Chemicals, etc)	31.16	27.49
Traded Imported Fertilizers (Under NBS)	289.37	281.66
Others (Domestic Traded Product, Agro Inputs, Sale Services, etc.)	42.97	42.77
Unallocable	2245.82	4356.05
Segment Liabilities	**6595.06**	**8651.33**
Capital Expenditure		
Manufactured Fertilizers (Urea, Bentonite Sulphur,Bio fertilizers)	186.33	209.07
Manufactured Chemicals (Industrial Products, Agro Chemicals, etc)	1.55	13.36
Traded Imported Fertilizers (Under NBS)	-	-
Others (Domestic Traded Product, Agro Inputs, Sale Services, etc.)	-	-
Unallocable	49.27	2.19
Capital Expenditure	**237.15**	**224.62**
Depreciation and Amortisation expenses		
Manufactured Fertilizers (Urea, Bentonite Sulphur,Bio fertilizers)	354.71	346.86
Manufactured Chemicals (Industrial Products, Agro Chemicals, etc)	14.80	13.06
Traded Imported Fertilizers (Under NBS)	-	-
Others (Domestic Traded Product, Agro Inputs, Sale Services, etc.)	-	-
Unallocable	3.49	1.76
Depreciation and Amortisation expenses	**373.00**	**361.68**
Non-cash expenses other than Depreciation and Amortisation		
Manufactured Fertilizers (Urea, Bentonite Sulphur,Bio fertilizers)	15.99	8.83
Manufactured Chemicals (Industrial Products, Agro Chemicals, etc)	-	0.07
Traded Imported Fertilizers (Under NBS)	4.25	3.62
Others (Domestic Traded Product, Agro Inputs, Sale Services, etc.)	-	-
Unallocable	0.01	0.03
Non-cash expenses other than Depreciation and Amortisation	**20.25**	**12.55**

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note 54 Ind AS-24: Related Party Disclosures

A) **Nature of Relationship**
Joint Ventures

Name of the Related Party
Urvarak Videsh Limited
Ramagundam Fertilizers & Chemicals Limited

B) **Nature of Relationship**
Key Management Personnel

Name of the Related Party

(i) Dr. U. Saravanan
Chairman & Managing Director w.e.f. 16.06.2023

(ii) Shri Hira Nand
Director (Finance) and Chief Financial Officer

(iii) Shri Rajan Kanwar
Director (Technical)

(iv) Shri Mahesh Chander Gupta
Director (Marketing) w.e.f. 11.03.2025

C) **Key management personnel compensation**

(v) Shri Ashok Jha
Company Secretary

₹ in Crore

	31st March 2025	31st March 2024
Short-term employee benefits	1.98	2.17
Post-employment benefits	-	-
Other Long-term employee benefits	0.42	0.47
Termination benefits	-	-
Share based payment	-	-
Total Compensation	**2.40**	**2.64**

D) **Post Employment Benefit Plans:**

i) NFL Provident Fund Trust

ii) NFL Pension Trust

iii) NFL Gratuity Trust

Notes to Consolidated Financial Statements for the year ended 31st March 2025

E) **Entities under the control of the same government:**

The company is a Central Public Sector Undertaking (CPSU) controlled by Central Government by holding 74.71% of paid up share capital through President of India (31 March 2025- 74.71%) and is under Ministry of Chemicals and Fertilizers. The Group has transactions with other Government related entities, which significantly includes but not limited to purchase of fuel (coal, gas) and other services, rendering consultancyand other services. Transactions with these parties are carried out at market terms and on terms comparable to those with other entities that are not Government-related generally through a transparent price discovery process against open tenders.

F) **Others:**

Fertilizer Education Society

G) **Transactions with Related parties:**

(i) During the year, there were transactions of ₹ 765.60 crore (CPLY ₹ 706.23 crore) with Ramagundam Fertilizers & Chemicals Limited towards purchase of goods of ₹ 666.01 crore (CPLY ₹ 616.49 crore), secondment salary of ₹ 8.65 crore (CPLY ₹ 12.13 crore), Share of Marketing Expense of ₹ 30.73 crore (CPLY ₹ 24.73 crore), Transportation Expense of ₹ 33.77 crore (CPLY ₹ 29.26 crore), Services Charges of ₹ 26.43 crore (CPLY ₹ 23.41 crore) and Others of ₹ 0.01 crore (CPLY ₹ 0.21 crore). The amount recoverable from Ramagundam Fertilizers & Chemicals Limited as on 31.03.2025 is ₹ 92.54 crore (CPLY ₹ 170.87 crore) and amount payable to Ramagundam Fertilizers & Chemicals Limited as on 31.03.2025 is ₹ 263.44 crore (CPLY ₹231.32 crore).

During the year transactions with Fertilizer Education Society is ₹ 5.25 crore (CPLY ₹ 4.53 crore).

During the year, transactions with NFL PF Trust were of ₹ 38.38 crore (CPLY ₹ 37.14 crore) and transaction with NFL Pension Trust were of ₹ 11.12 crore (CPLY ₹ 11.03 crore).

(ii) Remuneration to Key Management Personnel at (C) above is ₹ 2.40 crore (CPLY ₹ 2.64 crore). In addition to the above, they are eligible for non monetary perquisites as per Government of India guidelines.

Note: 55 Ind AS-36: Impairment of assets

In accordance with Ind AS-36, the carrying amount of Property, Plant & Equipment have been reviewed at year-end for indication of impairment loss, if any, by considering assets of entire one plant as Cash Generating Unit. As there is no indication of impairment, no loss has been recognized during the year.

Note 56

As per requirements of the listing agreements with the stock exchanges, the requisite details of loans and advances in the nature of loans given by the Company are as under:

(i) There are no loans and advances in the nature of loans to any subsidiary.

(ii) No loans have been given (other than loans to employees), wherein there is no repayment schedule or repayment is beyond seven years; and

(iii) There are no loans and advances in the nature of loans to firms/companies in which Directors are interested.

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note 57 Corporate Social Responsibility

A) As per Section 135 of the Companies Act 2013 read with guidelines issued by DPE, the Company is required to spend, in every financial year, at least two percent of the average profits of the Company made during the three immediately preceding financial years in accordance with its CSR Policy. The details of CSR expenses for the year are as under:

₹ in Crore

	PARTICULARS	Current period	Previous period
A	**Balance of CSR Fund carried forward from earlier year**	-	-
B	Amount required to be spent during the year (As per Companies Act)	5.67	7.40
C	**Total (A+B)**	5.67	7.40
D	CSR cash expenses during the year	6.81	6.92
E	Provision made for CSR ongoing projects expenses for the amount to be deposited in separate Bank Account.	-	0.48
F	Provision made for unspent CSR expenditure (Other than Ongoing projects).	-	*
G	**Closing Balance of CSR Fund (C-D-E-F)**	-	**0.00**

* Value being Less than ₹ 50,000.

B) Break-up of the CSR expenses under major heads is as under:

₹ in Crore

	PARTICULARS	Amount
1	Health and Sanitation	4.29
2	Education & Skill Development	2.11
3	Promoting gender, empowering women, setting up homes	-
4	Environmental & Sustainability	0.06
5	Measure for the benefit of Armed Force	-
6	Training to Promote Rural Sports, paralympic sports	-
7	Rural Development projects	0.35
	Total	**6.81**

C) ₹ Nil crore (CPLY ₹ 0.48 crore) towards unspent amount of "Ongoing Project" has been transferred to a separate Bank Account as per the provisions of Section 135 (6) of the Companies Act, 2013.

D) During the FY 2024-25, the total movement in unspent CSR liability is of ₹ 0.48 crore.

Note 58 Remittance in foreign currencies for dividends

The Company has not paid any Dividend in foreign currency during Financial Year 2024-25.

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note : 59 Fair Value Measurement

Financial Instruments by Category

₹ in Crore

PARTICULARS	March 31, 2025			March 31, 2024		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Loan	-	-	16.25	-	-	16.12
Other Financial Assets	-	-	140.19	-	-	181.45
Trade Receivables	-	-	3273.30	-	-	4037.09
Cash and Cash Equivalents	-	-	17.81	-	-	29.36
Other Bank Balances	-	-	14.97	-	-	8.58
Total financial assets	-	-	**3462.52**	-	-	**4272.60**
Financial liabilities						
Term Loan	-	-	-	-	-	-
Borrowings	-	-	1995.77	-	-	4088.33
Lease Liabilities	-	-	5.28	-	-	2.40
Other Financial Liabilities	-	-	498.66	-	-	430.66
Security Deposits	-	-	361.37	-	-	359.48
Trade Payables	-	-	1537.27	-	-	1435.18
Total financial liabilities	-	-	**4398.35**	-	-	**6316.05**

(i) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements

At 31st March 2025	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial Investments at FVTPL:					
Investment in NFL Employees' Consumer co-operative stores		-	-	-	-
Financial Investments at FVOCI:					
Total financial assets		-	-	-	-
Financial liabilities		-	-	-	-
Total financial liabilities		-	-	-	-

At 31st March 2024	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial Investments at FVTPL:					
Investment in NFL Employees' Consumer co-operative stores		-	-	-	-
Financial Investments at FVOCI:					
Total financial assets		-	-	-	-
Financial liabilities		-	-	-	-
Total financial liabilities		-	-	-	-

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

₹ in Crore

At 31st March 2025	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Loans		-	-	16.25	**16.25**
Other Financial Assets		-	-	140.19	**140.19**
Trade Receivables		-	-	3273.30	**3273.30**
Cash and Cash Equivalents		-	-	17.81	**17.81**
Other Bank Balances		-	-	14.97	**14.97**
Total Financial Assets		-	-	**3462.52**	**3462.52**
Financial Liabilities					
Borrowings		-	-	-	-
Term Loan		-	-	1995.77	**1995.77**
Borrowings		-	-	5.28	**5.28**
Lease Liability		-	-	498.66	**498.66**
Other Financial Liabilities		-	-	361.37	**361.37**
Security Deposits		-	-	1537.27	**1537.27**
Trade Payables					
Total Financial Liabilities		-	-	**4398.35**	**4398.35**

At 31st March 2024	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Loan		-	-	16.12	**16.12**
Other Financial Assets		-	-	181.45	**181.45**
Trade Receivables		-	-	4037.09	**4037.09**
Cash & Cash Equivalents		-	-	29.36	**29.36**
Other Bank Balances		-	-	8.58	**8.58**
Total Financial Assets		-	-	**4272.60**	**4272.60**

	Notes	Level 1	Level 2	Level 3	Total
Financial Liabilities					
Borrowings					
Term Loan		-	-	-	**-**
Borrowings		-	-	4088.33	**4088.33**
Lease Liability		-	-	2.40	**2.40**
Other Financial Liabilities		-	-	430.66	**430.66**
Security Deposits		-	-	359.48	**359.48**
Trade Payables		-	-	1435.18	**1435.18**
Total Financial Liabilities		-	-	**6316.05**	**6316.05**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfers between levels 1 and 2 during the year.

The company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of foreign currency option contracts is determined using Black Scholes valuation model.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 3.

(iii) Fair value measurements using significant unobservable inputs (level 3)

	Equity Instruments	Total
As at 31st March, 2025	N.A.	-
As at 31st March, 2024	N.A.	-

(iv) Fair value of financial assets and liabilities measured at amortised cost

₹ in Crore

	March 31, 2025		March 31, 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Loan	16.25	16.25	16.12	16.12
Other Financial Assets	140.19	140.19	181.45	181.45
Trade Receivables	3273.3	3273.3	4037.09	4037.09
Cash & Cash Equivalents	17.81	17.81	29.36	29.36
Other Bank Balances	14.97	14.97	8.58	8.58
Total Financial Assets	**3462.52**	**3462.52**	**4272.60**	**4272.60**
Financial Liabilities				
Borrowings				
Borrowings	1995.77	1995.77	4088.33	4088.33
Lease Liability	5.28	5.28	2.40	2.40
Other Financial Liabilities	498.66	498.66	430.66	430.66
Security Deposits	361.37	361.37	359.48	359.48
Trade Payables	1537.27	1537.27	1435.18	1435.18
Total Financial Liabilities	**4398.35**	**4398.35**	**6316.05**	**6316.05**

The carrying amounts of trade receivables, trade payables, borrowing, cash and cash equivalents and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values for loans and security deposits were calculated based on cash flows discounted using a current lending rate. The discount rate considered for FY 2024-25 is 8.65% (CPLY 8.50%). They are classified as level 3 fair values in the fair value hierarchy since significant inputs required to fair value an instrument are not observable

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy since significant inputs required to fair value an instrument are not observable

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note No. 60 Financial Risk Management

The company's activities expose it to market risk, liquidity risk and credit risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortized cost.	Aging analysis, Credit Analysis, Post Dated Cheques and Security Deposit.	Diversification of bank deposits, credit limits and Bank Guarantees
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash Flow Forecasting, Monitoring of Forex Risk Management Policy	Forward Foreign exchange contracts
Market risk – interest rate	Long-term borrowings at variable rates	Monitoring of Forex Risk Management Policy	Interest Rate Swap

The company's risk management is carried out by Forex Risk Management Committee (FRMC) / central treasury department and marketing department under Co's policies approved by the Board of Directors. FRMC/Treasury identifies, evaluates and hedges financial risks. The Board provides policy for overall risk management, marketing manual, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, derivative financial instruments and investment of excess liquidity.

(A) Credit risk

Credit Risk refers to the risk of default on its obligations resulting in financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 3320.65 crore and ₹ 4080.47 crore as of March 31, 2025 and March 31, 2024, respectively. Trade receivables mainly constitute subsidy receivable from Government of India and from sale of fertilizers to dealers. Trade receivables from dealers are partially secured. Credit risk is being managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to allow credit terms in the normal course of business.

Breakup of Trade Receivables is as under:

Party Wise breakup of Trade Receivables				
Category	**31.03.2025 ₹ in crore**	**% of Total Debtors**	**31.03.2024 ₹ in crore**	**% of Total Debtors**
Govt of India (Subsidy)	3001.52	90.39	3592.02	88.03
Institutional Dealers	281.55	8.48	259.16	6.35
Private Dealers	37.58	1.13	229.29	5.62
Total Trade Receivables	**3320.65**	**100.00**	**4080.47**	**100.00**
	31.03.2025	**% of Debtors to Total Sales**	**31.03.2024**	**% of Debtors to Total Sales**
Total Sales	19532.86	17.00	23241.43	17.56

Note - The Total Subsidy Receivable is ₹ 3001.52 crore (CPLY ₹ 3592.02 crore).

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities given below) and cash and cash equivalents on the basis of expected cash flows.

Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

₹ in Crore

	31 March, 2025	31 March, 2024
Floating rate Expiring within one year (Bank Overdraft/CC Limit and other facilities)	6,338.20	5,813.75

The Bank Overdraft/Cash Credit (CC)/Short term loan (STL) facilities may be drawn at any time and may be called back by the bank at their discretion. The credit facilities of Banks are subject to compliance with sanctioned terms & conditions. The credit facilities have an average maturity of 1 year.

(C) Market Risk – Foreign Exchange

The Position of Hedged Foreign Currency exposures are as under:-

₹ in Crore

Particulars	Hedged Exposures	Cross Currency	As on 31.03.2025	As on 31.03.2024
Foreign Currency exchange contracts	Trade Exposure for import of fertilizers	-	166.60	-
	Foreign Currency Term Loan (ECB)	-	-	-

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under:-

₹ in Crore

Particulars	As on 31.03.2025	As on 31.03.2024
Foreign Currency Term Loan (ECB)	-	-
Trade Exposure for import of fertilizers	-	-

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note No. 61 Capital Management

(a) Risk management

The company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt as per guidelines of Government of India

Consistent with others in the industry, the company monitors capital on the basis of the following gearing ratio:
Debt (long term borrowings)
divided by
Total 'Equity' (as shown in the balance sheet).

The company's strategy is to maintain Debt Equity ratio within 2.5:1. The Debt Equity ratio is as follows:

₹ in Crore

Particulars	31.03.2025	31.03.2024
Debt	-	-
Total equity	2715.81	2545.26
Debt to equity ratio (in times)	-	-

(b) Dividends

During the year company has paid Final Dividend of ₹ 13.25 crore for FY 2023-24 (CPLY ₹136.87 crore).

Note No. 62

Purchase Tax Liability estimated at ₹ 57.41 crores for the period 1st Sep 2001 to 31st March 2006 has been provided, pending final assessment, determination and demand by Tax Authorities. (Note-36 Other Current Liabilities).

Note No. 63

The parent company undertook a significant system transition, moving from its previously used Oracle-based system to a new SAP ERP system w.e.f. 1st January 2025. All business transactions for the quarter 1st January 2025 to 31st March 2025 were processed exclusively in SAP. Transactions for the preceding nine-months (1st April 2024 to 31st Dec 2024) remained in Oracle system.

The migration entailed substantial data extraction, cleansing and re-mapping between two distinct system architectures. Field level reconciliations of master and transactional data was carried out which was validated by external SAP experts to validate cut over data.

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note No. 64 Restatement of previous year balances

Ramagundam Fertilizers and Chemicals Limited (Joint Venture Company) is covered under the New Investment Policy - 2012. While filing the monthly gas pool data during FY 2022-23 in the month of Jan. 2023, RFCL inadvertently missed to enter the gas quantity of a particular gas invoice due to which RFCL's gas cost per MMBTU got inflated and as result RFCL has got excess credit note to the tune of ₹ 4507.28 lakh in the FY 2022-23. During the FY 2024-25, while reviewing annual gas pool rate for FY 2022-23. this error was discovered and GAIL (India) Ltd. in consultation with FICC has issued a debit note to RFCL for FY 2022-23 for ₹ 4507.28 lakh and such cost is being debited to opening reserves and as result balance recoverable from gas pool is reduced by the same amount. Consequent to above, subsidy income for FY 2022-23 has got revised and subsidy income excess recognized for ₹ 125.49 lakh is being reversed during the year and debited to opening reserve.

Accordingly the figures of the Consolidated Accounts have been restated in the following financial items.

There is no impact on EPS of the previous period of the financial statement due to such restatement.

Reconciliation of restated items of Balance Sheet as at 31st March 2024 and 01st April 2023

₹ in Crore

Particulars	Note No.	31st March 2024			1st April 2023		
		As previously reported	Adjustments	As restated	As previously reported	Adjustments	As restated
Balance Sheet (Extract)							
Investment	8	344.66	(9.01)	335.65	259.30	(9.01)	250.29
Other Equity	22	2063.69	(9.01)	2054.68	2051.07	(9.01)	2,042.06

Notes to Consolidated Financial Statements for the year ended 31st March 2025

Note No. 65 Additional Regulatory Information

a) Details of Benami Property Held

The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property:

b) The Company has not been declared willful defaulter by any bank or financial institution or any other lender.

c) There are no material transactions with respect to struck off companies as mentioned under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

d) The Company does not have any charges or satisfaction of charges which are yet to be registered with ROC beyond the statutory period

e) Provision regarding the number of layers prescribed under Section of Section 2 (87) of the Act read with the Companies (Restriction on number of layers) Rules, 2017 is not applicable.

f) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of Income Tax Act, 1961).

g) The Company has not traded or invested in crypto currency or virtual currency during the respective financial year/period.

h) The Company does not have any scheme of arrangements which have been approved by the Competent Authority in terms of Section 230 to 237 of the Companies Act, 2013

i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

   a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

   b. Provide any guarantee, security or like to or on behalf of the Ultimate Beneficiaries.

j) 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 the behalf of the Ultimate Beneficiaries.

k) Ratios

S.N.	Particulars	Numerator	Denominator	₹ in crore		% variance	Reasons for variance
				2024-25	2023-24		
1	**Current Ratio**						
1.a		Current Assets		4941.29	6636.44		Variance < 25%
1.b		Less: Assets held for disposals		-	-		
1.c		**Current Assets**		**4941.29**	**6636.44**		
1.d			Current Liabilities	4908.87	6779.59		
1.e			Less: Deferred Government Grant	(191.97)	(196.93)		
1.f			**Current Liabilities**	**4716.90**	**6582.66**		
	Current ratio (1.c/2.f)			**1.05**	**1.01**	**3.91%**	

S.N.	Particulars	Numerator	Denominator	₹ in crore		% variance	Reasons for variance
				2024-25	2023-24		
2	**Debt-Equity Ratio**						
2.a		Long Term Borrowings		-	-		Decreased due to lower borrowing during the current year as compared to CPLY.
2.b		Add: Short Term borrowings		1995.77	4088.33		
2.c		**Total Debt**		**1995.77**	**4088.33**		
2.d			Equity Share Capital	490.58	490.58		
2.e			Add : Other equity	2225.23	2054.68		
2.f			**Equity (Shareholders Funds)**	**2715.81**	**2545.26**		
	Debt-Equity Ratio (2.c/2.f)			**0.73**	**1.61**	**-54.25%**	
3	**Debt service coverage ratio**						
3.a		**Profit After Tax**		183.98	150.05		Debt Equity Service Coverage ratio has mainly increased due to increase in Profit and repayment of Long Term Loan during FY 2023-24.
3.b		Add : Depreciation and amortisation		373.00	361.68		
3.c		Add: Finance cost		225.68	267.30		
		Add: Loss on Sale of Assets		-	-		
3.d		**Earnings Available for Debt-Service**		**782.66**	**779.03**		
3.e			Interest Expense	225.68	267.30		
3.f			Add: Principal Repayments	-	639.78		
3.g			**Total Debt service**	**225.68**	**907.08**		
	Debt service coverage ratio (3.d/3.g)			**3.47**	**0.86**	**303.80%**	
4	**Return on Equity (ROE)**						
4.a		**Profit After Taxes**		**183.98**	**150.05**		Variance < 25%
			Average Shareholder's Equity				
4.b			Opening Shareholder's Equity	2701.09	2773.83		
4.c			Closing Shareholder's Equity	2715.81	2545.26		
4.d			Average Shareholder's Equity	**2708.45**	**2659.55**		
	Return on Equity (ROE) (4.a/4.d)			**6.79%**	**5.64%**	**20.40%**	
5	**Inventory Turnover Ratio**						
5.a		**Sales**		19532.86	23241.43		Inventory Turnover ratio is increased due to lower closing stock at the end of reporting period as compared to CPLY.
5.b			Opening Inventory of Finished Goods	273.18	274.65		
5.c			Opening Inventory of Traded goods	1156.82	2506.54		
5.d			Total Opening Inventory	1430.00	2781.19		
5.e			Closing Inventory of Finished Goods	216.07	273.18		
5.f			Closing Inventory of Traded goods	330.56	1156.82		
5.g			Total closing Inventory	546.63	1430.00		
5.h			**Average Inventory {(5.d+5.g)/2}**	**988.32**	**2105.60**		
	Inventory Turnover Ratio (5.a/5.h)			**19.76**	**11.04**	**79.05%**	

S.r.	Particulars	Numerator	Denominator	₹ in crore		% variance	Reasons for variance
				2024-25	2023-24		
6	**Trade Receivables Turnover Ratio**						
6.a		Sales		19532.86	23241.43		Variance < 25%
6.b			Opening Trade Receivables	4037.09	4118.53		
6.c			Closing Trade Receivables	3273.30	4037.09		
6.d			**Average Trade Receivables**	**3655.20**	**4077.81**		
	Trade Receivables Turnover Ratio (6.a/6.d)			**5.34**	**5.70**	**-6.24%**	
7	**Trade Payables Turnover Ratio**						
7.a		**Total Purchases**		16480.86	19246.74		Variance < 25%
7.b			Opening Trade Payables	1348.39	1755.93		
7.c			Closing Trade Payables	1537.27	1348.39		
7.d			**Average Trade Payables**	1442.83	1552.16		
	Trade Payables Turnover Ratio (7.a/7.d)			**11.42**	**12.40**	**-7.88%**	
8	**Net Capital Turnover Ratio**						
8.a		**Sales**		19532.86	23241.43		Net Capital Turnover Ratio has decreased due to lower inventory and lower borrowing at the end of the reporting period.
8.b			Current Assets (as per 1.c)	4941.29	6636.44		
8.c			Current Liabilities (as per 1.f)	4716.90	6582.66		
8.d			**Working Capital**	**224.39**	**53.78**		
	Net Capital Turnover Ratio (8.a/8.d)			**87.05**	**432.16**	**-79.86%**	
9	**Net Profit Ratio**						
9.a		Profit After Tax (as per 4.a)		183.98	150.05		Net Profit Ratio of current year is higher due to higher profit in current period and lower sales value.
9.b			**Sales**	**19532.86**	**23241.43**		
	Net profit ratio (9.a/9.b)			**0.94%**	**0.65%**	**45.89%**	
10	**Return on Capital Employed**						
10.a		Profit Before Tax (as per 3.a)		211.8	173.83		Return on capital employed is higher due to higher profit during current year as explained above.
10.b		Add : Finance cost (as per 3.c)		225.68	267.30		
10.c		**Earnings before interest and tax**		**437.48**	**441.13**		
10.d			Net Worth (as per 2.f)	2715.81	2545.26		
10.e			Add: Total Debt (as per 2.c)	1995.77	4088.33		
10.f			Add: Deferred Tax Liability	83.55	74.87		
10.g			**Capital Employed**	**4795.13**	**6708.46**		
	Return on Capital Employed (10.c/10.g)			**9.12%**	**6.58%**	**38.74%**	
11	**Return on Investment**		**Not Applicable**				

l) The quarterly returns / statement of current assets filed by the company with banks / financial institution are in agreement with the books of accounts except as given below:

Quarter Ended	Name of Bank	Particulars of Securities Provided	Amount as per books of accounts*	Amount as reported in the quartely return/ statement	Amount of Difference	Reason for material discrepanices
Jun, 2024	State Bank of India	Inventories	852.90	930.54	(77.64)	On account of provisional figures taken based on unaudited accounts
	State Bank of India	Trade Receivable	5,287.65	6,847.69	(1,560.04)	
	State Bank of India	Trade Payables	1,638.15	944.91	693.24	
Sep, 2024	State Bank of India	Inventories	998.86	730.97	267.89	
	State Bank of India	Trade Receivable	2,410.15	3,267.81	(857.66)	
	State Bank of India	Trade Payables	1,574.22	1,258.42	315.80	
Dec, 2024	State Bank of India	Inventories	866.87	787.22	79.65	
	State Bank of India	Trade Receivable	3,243.83	3,091.02	152.81	
	State Bank of India	Trade Payables	1,585.52	1,033.88	551.64	
Mar, 2025	State Bank of India	Inventories	910.58	1,025.69	(115.11)	
	State Bank of India	Trade Receivable	3,265.22	2,760.28	504.94	
	State Bank of India	Trade Payables	1,537.27	876.02	661.25	

* include provision and unbilled amount of subsidy for Urea and Freight.

m) Additional disclosure required under Schedule III of the Companies Act 2013 of the entities consolidated as joint ventures –

a)

Name of the Enterprise	Net Assets i.e. total assets minus total liabilities		Share in Profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	Net Assets (% of Consolidated Net Assets)	Net Assets (₹in Crores)	Share in Profit or Loss (% of Consolidated Profit or Loss)	Profit or Loss (₹in Crores)	Share in Total Comprehensive Income (% of Consolidated Profit or Loss)	OCI (₹ in Crores)	Share in Total Comprehensive Income (% of Consolidated Profit or Loss)	Total Comprehensive Income (₹in Crores)
Joint Ventures (Indian, Equity Method)								
Ramagundam Fertilizers and Chemicals Limited	38.53	1,732.17	84.45	414.31	59.88	(0.19)	84.47	414.11
Urvarak Videsh Limited	UVL has been declared dormant on 04.11.2015 by ROC, Delhi, hence figures not disclosed.							

b) The paid up capital by Joint Venture Partners as on 31 March 2025 is as under:

Shareholder	No. of Shares (31 Mar 2025) (figures in crore)	Paid-up Capital (₹ in crore) (31 Mar 2025)	No. of Shares (31 Mar 2024) (figures in crore)	Paid-up Capital (₹ in crore) (31 Mar 2024)
EIL	49.15	491.46	49.15	491.46
NFL	49.15	491.46	49.15	491.46
FCIL	20.79	207.94	20.79	207.94
State Government of Telangana	20.79	207.93	20.79	207.93
GAIL (India) Limited	27.03	270.30	27.03	270.30
Others	22.12	221.16	22.12	221.16
Total	**189.03**	**1890.25**	**189.03**	**1890.25**

Summarised financial information for Joint Venture (RFCL) is set out below:

Particulars	31 March 2025 (₹ in crore)	31 March 2024 (₹ in crore)
Cash and cash equivalents	93.19	100.94
Other Current assets	1,881.72	1,562.55
Total Current assets (A)	**1,974.91**	**1,663.49**
Non-current assets (B)	**4,826.91**	**5,215.07**
Current financial liabilities (excluding trade payables and provisions)	1,499.64	1,505.13
Trade payables and provisions	363.91	500.00
Other Current liabilities	5.61	10.75
Total Current liabilities (C)	**1,869.17**	**2,015.88**
Non current financial liabilities(excluding trade payables and provisions)	3,170.85	3,517.05
Other Non current liabilities	29.63	27.58
Total Non-current liabilities (D)	**3,200.48**	**3,544.62**
Net assets (A+B-C-D)	**1,732.17**	**1,318.05**
Capital Expenditure during the year	43.93	32.93
Right of use Assets addition during the year	3.41	-
Capital Work in Progress	4.25	1.16

Particulars	31 March 2025 (₹ in crore)	31 March 2024 (₹ in crore)
Revenue from operations	5,260.56	4,914.02
Interest income	22.52	18.04
Other income	8.12	9.55
Total revenue (A)	**5,291.20**	**4,941.60**
Depreciation and Amortization	297.85	295.36
Interest Expenses	444.12	484.68
Other expense	3,996.64	3,720.60
Total expenses (B)	**4,738.61**	**4,500.64**
Profit before tax (C = A-B)	**552.59**	**440.96**
Tax expense (D)	**138.28**	**112.83**
Profit/(Loss) for the year (E = C-D)	**414.31**	**328.13**
Other comprehensive income (F)	**(0.19)**	**0.20**
Total comprehensive income (E+F)	**414.11**	**328.33**

SALIENT FEATURES OF FINANCIAL STATMENTS OF SUBSIDIARY/ASSOCIATES/ JOINT VENTURE AS PER COMPANIES ACT, 2013

Part "A": Subsidiaries		
1.00	Sl.No.	
2.00	Name of Subsidiary	Nil
3.00	Reporting period	Nil
4.00	Reporting currency	Nil
5.00	Share capital	Nil
6.00	Reserves & Surplus	Nil
7.00	Total assets	Nil
8.00	Total Liabilities	Nil
9.00	Investments	Nil
10.00	Turnover	Nil
11.00	Profit before taxation	Nil
12.00	Provision for taxation	Nil
13.00	Profit after taxation	Nil
14.00	Proposed Dividend	Nil
15.00	% of shareholding	Nil

Name of Subsidiaries which are yet to commence operations:- Nil
Name of Subsidiaries which have been liquidated or sold during the year: - Nil

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl No	Particulars	Particulars
	Name of Associates/ Joint Ventures	Ramagundam Fertilizers and Chemicals Limited
1.00	Latest audited Balance Sheet Date	Audited 31 March 2025
2.00	Shares of Associate/Joint Ventures held by the company on the year end	
	No.	491,462,400 Equity shares of ₹ 10 each fully paid up
	Amount of Investment in Associates/Joint Venture	₹ 491.46 Crores
	Extent of Holding %	26.00%
3.00	Description of how there is significant influence	Due to Control
4.00	Reason why the associate/joint venture is not consolidated	N.A
5.00	Net worth attributable to shareholding as per latest audited Balance Sheet/Liquidator Statement	₹ 450.36 Crores
6.00	Profit/(Loss) for the year:	
i	Considered in Consolidation	₹ 107.72 Crores
ii	Not Considered in Consolidation	₹ 306.59 Crores

Name of Joint Ventures/Associates which are yet to commence operations:- Nil
Name of Joint Ventures/Associates which have been liquidated or sold during the year:- Nil

Note No. 66 Others

a) During the year, certain wording changes are made in the material accounting policies for improved disclosures. There is no impact on the financial statements due to these changes.

b) The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

For and on behalf of the Board of Directors

(Ashok Jha)
Company Secretary
A-14100

(Hira Nand)
Director (Finance)
DIN No. 09476034

(Dr. U. Saravanan)
Chairman & Managing Director
DIN No. 07274628

As per our report of even date attached

For Dhawan & Co.
Chartered Accountants
Firm Regd. No. 002864N

(Deeksha Kapoor)
Partner
Membership No. 460453

For RSPH & Associates
Chartered Accountants
Firm Regd. No. 003013N

(Tarun Kumar Batra)
Partner
Membership No.094318

Place: Noida
Date: 30.05.2025

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C&AG

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DEALER TRAINING PROGRAMMES



Dr. U. Saravanan, C&MD presenting Certificates of Recognition to top performing dealers of Karnataka State



C&MD in a group photo with the top performing dealers of Andhra Pradesh & Telangana



C&MD addressing dealers of Karnataka State at the Regional Dealer Conference



Dr. U. Saravanan, C&MD presenting Certificates of Recognition to top performing dealers of Andhra Pradesh & Telangana

IN THE SERVICE OF FARMERS



Farmers' Training Programme at KVK Bilaspur (Chhattisgarh)



PM PRANAM Kisan Sangosthi being held at a PMKSK in Sri Ganganagar (Raj.)



Farmers' Training Programme in Dist. Karimnagar (Talangana)



A field demonstration cum farmer training programme organised by State Office, Tamilnadu



A view of Jeep Campaign conducted by Area Office, Ludhiana



A view of Jeep Campaign conducted by Zonal Office, Hyderabad

IN THE SERVICE OF FARMERS



A field demonstration on Nano DAP held in a village in Dist. Faridkot, Punjab



A dealer training programme held in Raipur (Chhattisgarh)



Area office, Lucknow (UP) Stall in a Kisan Mela



Area office, Bhagalpur (Bihar) Stall in a Kisan Mela



Area office, Jaipur (Raj.) Stall in a Kisan Mela



Mobile Soil Testing Campaign organised by Area Office, Amritsar

SAFETY ACTIVITIES

A glimpse of the Safety Mock Drills organised in NFL Plants
to ensure best safety practices & standards

















MAJOR CSR ACTIVITIES



Beneficiaries of Production Supervisor - Sewing Course from ATDC, Noida at the valediction ceremony with NFL & ATDC officials



Furniture, Computer & Electronic items presented to Govt. Girls College in Naya Nangal, Punjab



Apheresis Blood Cell Separator Machine presented to Civil Hospital, Bathinda under CSR



Distribution of Aids & Assistive Devices to Divyangjan in Dist. Guna (MP) under CSR



Playground Swings presented to Govt. Elementary School, Bathinda under CSR



Open Air Gym setup under CSR at Village Sibian, Dist. Bathinda (Punjab)

OTHER ACTIVITIES



Dr. U. Saravanan, C&MD chairing a session during FAI Annual Seminar 2024



Officials of NFL & Coromandel International Ltd. exchanging MoU for marketing each other's products



Dr. U. Saravanan, C&MD inaugurating the new Area Office at Arni (Tamilnadu)



The first truck of newly launched product 'Urea Gold' being dispatched from Panipat Unit



The first truck of Agrochemicals manufactured, being dispatched from Agrochemical Plant, Bathinda Unit



Sr. officials of RFCL explaining the Plant model of RFCL to Dr. U. Saravanan, C&MD, NFL & Chairman, RFCL

LOGO FOR NON-SUBSIDIZED PRODUCTS



Dr. U. Saravanan, C&MD lighting the lamp to inaugurate the unveiling ceremony of Logo for Non-Subsidized Products



Dr. U. Saravanan, C&MD addressing the employees on the occasion of unveiling ceremony of Logo for Non-Subsidized Products



Dr. U. Saravanan, C&MD unveiling the Logo for Non-Subsidized Products



C&MD felicitating Ms. Moturi Thirumala, Asst. Area Manager I/c (AB & CPA) for designing the Logo for Non-Subsidized Products

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GLORIOUS YEARS

Farmers' Friend... Nation's Pride



At National Fertilizers Limited, we seek the rewards of our leadership in the smiles of our prospering farmers. Something we accomplish by constantly serving them with quality fertilizers. Our expanding product line is inspired by our vision to see that every farmer is prospering. After all, progress of farmers is the key to Nation's prosperity.



UREA | DAP | MOP | NPK | APS

BIO-FERTILIZERS | BENTONITE SULPHUR | SEEDS | SEAWEED GRANULES
PDM | FOM | COMPOST | AGRO CHEMICALS | INDUSTRIAL PRODUCT

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NFL
A Navratna Company

NATIONAL FERTILIZERS LIMITED

(A Government of India Undertaking)

Corporate Office: A-11, Sector-24, Noida-201301 (UP)
Website: www.nationalfertilizers.com | CIN-L74899DL1974GOI007417

GLORIOUS YEARS

A Navratna Company

National Fertilizers Limited

(A Government of India Undertaking)

CIN: L74899DL1974GOI007417

Registered Office: Scope Complex, Core-III, 7, Institutional Area, Lodhi Road, New Delhi - 110003

Corporate Office: A-11, Sector - 24, Noida - 201301 (U.P.)

Website: www.nationalfertilizers.com